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January 13, 2004

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

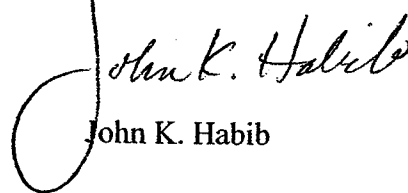
Re: Boston Edison Company, Cambridge Electric Light Company and
Commonwealth Electric Company, D.T.E. 03-100

Dear Secretary Cottrell:

On behalf of Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company d/b/a NSTAR Electric (the "Company"), please find enclosed for filing in the above-referenced matter two documents which supplement documents that have been filed to date in response to Information Requests DTE-1-1 and CLC-MEC-1-1. Specifically, the Company inadvertently filed incomplete versions of Attachments DTE-1-1 and CLC-MEC-1-1(c) on December 22, 2003 and January 6, 2004, respectively. The Company has attached complete versions of each of those documents (see Attachment DTE-1-1 (Supp.) and Attachment CLC-MEC-1-1(c) (Supp.)).

Thank you for your attention to this matter.

Sincerely,


John K. Habib

Enclosures

cc: William Stevens, Hearing Officer
Service List

**BOSTON EDISON COMPANY,
COMMONWEALTH ELECTRIC COMPANY
AND
CAMBRIDGE ELECTRIC LIGHT COMPANY**

**REQUEST FOR PROPOSALS
FOR POWER SUPPLY FOR DEFAULT SERVICE
AND FOR NEW RENEWABLE CERTIFICATE SUPPLY SERVICE**

For the Delivery Term commencing
January 1, 2004

September 17, 2003

**BOSTON EDISON COMPANY,
COMMONWEALTH ELECTRIC COMPANY
AND
CAMBRIDGE ELECTRIC LIGHT COMPANY**

**REQUEST FOR PROPOSALS
FOR POWER SUPPLY
FOR DEFAULT SERVICE
AND FOR NEW RENEWABLE CERTIFICATE SUPPLY SERVICE**

September 17, 2003

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**BOSTON EDISON COMPANY,
COMMONWEALTH ELECTRIC COMPANY
AND
CAMBRIDGE ELECTRIC LIGHT COMPANY**

**REQUEST FOR PROPOSALS
FOR POWER SUPPLY FOR DEFAULT SERVICE
AND FOR NEW RENEWABLE CERTIFICATE SUPPLY SERVICE**

September 17, 2003

I. Introduction and Background

The Massachusetts Electric Industry Restructuring Act of 1997 (the "Act") provided for competition in the electric utility industry by extending competition in the wholesale power supply markets to retail customers through the provision of retail access to all customers. The Act provided access for all retail customers of Boston Edison Company ("BECO"), Commonwealth Electric Company ("Commonwealth") and Cambridge Electric Light Company ("Cambridge") (together, "NSTAR Electric") as of March 1, 1998. The Act requires each distribution company to provide default service to those customers who are not receiving generation service as part of the Standard Offer Service option or from a competitive supplier ("Default Service"). The Act further requires Default Service to be competitively procured. In addition, the Massachusetts Department of Telecommunications and Energy ("DTE") has conducted a generic proceeding on rules and procedures for the provision of and pricing of Default Service¹. As a result of that proceeding, the DTE ordered all electric companies in Massachusetts to procure Default Service through competitive solicitations by customer group (residential, commercial and industrial) and to procure such power at fixed monthly prices. In subsequent proceedings, the DTE again considered issues relating to the procurement of Default Service and the implementation of a congestion management and multi-settlement system within structured markets (Standard Market Design). In the first resulting order, the DTE considered the effects of congestion costs and locational marginal pricing ("LMP") related to the procurement of Default Service. This order requires all electric companies in Massachusetts to procure Default Service supply on a load zone-specific basis and to establish separate Default Service prices for each load zone for large C&I customers². In a second order, the DTE has required distribution companies to procure Default Service supply on a quarterly basis for their large commercial and industrial customers.³

In this solicitation the NSTAR Electric companies are also seeking suppliers of New Renewable Energy Certificates to support the NSTAR Green renewable energy program, which is to commence on January 1, 2004. Implementation of the NSTAR Green program is contingent on DTE approval.

¹ Default Service, D.T.E. 99-60 (1999) (Notice of Inquiry).

² Default Service, D.T.E. 02-40-A (February 13, 2003).

³ Default Service, D.T.E. 02-40-C (September 11, 2003).

The NSTAR Electric companies (BECo, Commonwealth and Cambridge) are each direct or indirect subsidiaries of NSTAR Electric and Gas Corporation, with a principal place of business at 800 Boylston Street, Boston, MA 02199. NSTAR Electric is hereby issuing this Request for Proposals ("RFP") to solicit and evaluate competing power supply offers from qualified power suppliers ("Suppliers") to supply firm, load-following power to meet the Default Service requirements (as defined below) for each of the designated residential, commercial and industrial customer groups on a load zone-specific basis for the Delivery Term. Although Suppliers need not provide bids for each customer group or for each distribution company, Suppliers must provide separate fixed monthly pricing for each of the customer groups and load zones bid upon. NSTAR Electric plans to award the power supply for Default Service by customer group and load zone based on the bids received and the best interests of its retail customers. In addition, proposals to serve less than 100% of the available load of a customer group or proposals to serve individual calendar months will also be considered.

For the purposes of this solicitation, the customers of Commonwealth Electric Company are within the Southeastern Massachusetts load zone ("SEMA") and the customers of Cambridge Electric Light Company are within the Northeastern Massachusetts load zone ("NEMA"). The customers of Boston Edison Company are within both the SEMA and NEMA load zones.

In addition, for the purposes of this solicitation, the Commercial Customer Group includes small and medium commercial and industrial customers and streetlights, and the Industrial Customer Group includes large commercial and industrial customers. The customer groups are as follows:

Customer Group	Rate Classes
Residential	BECo rates R-1, R-2, R-3 and R-4; Commonwealth rates R-1, R-2, R-3, R-4, R-5 and R-6; and Cambridge rates R-1, R-2, R-3, R-4, R-5 and R-6
Commercial (including street lighting)	BECo rates G-1, G-2, T-1 and street lights; Commonwealth rates G-1, G-4, G-5, G-6, G-7 and street lights; and Cambridge rates G-0, G-1, G-4, G-5, G-6 and street lights
Industrial	BECo rates G-3 and T-2; Commonwealth rates G-2 and G-3; and Cambridge rates G-2 and G-3

II. Default Service Requirement

NSTAR Electric is soliciting offers for power supply, by load zone, to meet the needs of NSTAR Electric's end-use customers in the Commercial Customer Group, the Industrial Customer Group and the Residential Customer Group, who are taking service pursuant to the Default Service Tariff. Default Service is provided to retail customers who are not otherwise eligible for Standard Offer Service or are not taking service from a competitive supplier. Service to

customers can be initiated by: (a) a customer notifying the applicable NSTAR company that it wishes to terminate service from its competitive supplier and commence Default Service; (b) a competitive supplier notifying the applicable NSTAR company that it is terminating service to a customer; (c) a competitive supplier ceasing to provide service to a customer; or (d) a customer moving into NSTAR Electric's service territory after March 1, 1998, who has not affirmatively chosen a competitive supplier and is not otherwise eligible for Standard Offer Service.

The power supply solicited is to begin: (a) for the hour ending at 0100 Eastern Prevailing Time (EPT) on January 1, 2004 and to terminate on the hour ending 2400 EPT on December 31, 2004 for 50% of the Default Service load for customers in the Residential and Commercial Customer Groups; (b) for the hour ending 01:00 EPT on January 1, 2004 and to terminate on the hour ending 2400 EPT on March 31, 2004 for 100% of the Default Service load for customers in the Industrial Customer Groups; (c) for the hour ending at 0100 EPT January 1, 2004 and to terminate on the hour ending 2400 EPT on June 30, 2004 for 100% of the NSTAR Green Service; and (d) for the hour ending at 0100 EPT on July 1, 2004 and to terminate on the hour ending 2400 EPT on December 31, 2004 for 50% of the NSTAR Green Service. In addition, Suppliers may provide separate bids for more than one of these Delivery Terms, or for specific months within these Delivery Terms. NSTAR Electric will consider only fixed price bids that can be evaluated on a fixed ¢/kWh basis.

III. Delivery

The power supply for Default Service is to be delivered to the PTF within the NEMA and SEMA Load Zones, as appropriate for delivery to each customer taking default service. If, during the Term of this Agreement, the ISO switches from using Zonal Pricing to Nodal Pricing for the purpose of settling energy purchased to serve load, as defined by SMD, the power shall be delivered to the Node or Nodes, as defined by NEPOOL, appropriate for each customer in each Customer Group. NSTAR Electric will make arrangements for NEPOOL Regional Network Service, which provides for transmission over PTF, and Local Network Service from any applicable local transmission provider(s), which provides for transmission over non-PTF. NSTAR Electric will be billed by NEPOOL and the applicable local transmission provider(s) for these services. NSTAR Electric will pay these bills and collect the costs, along with its distribution costs, from its customers through its retail distribution tariffs. Any other transmission or distribution costs will be the Suppliers' responsibility.

IV. Nature of Service

The Supplier of Default Supply Service for each customer group and load zone shall be responsible for meeting a fixed percentage of the service requirements for NSTAR Electric's customers in the customer group and load zone taking such service. These service requirements include delivery, to the PTF within the NEMA and SEMA Load Zones, of the portion of the electric capacity, energy and ancillary services required to meet the needs of NSTAR Electric's ultimate customers pursuant to the terms of the attached Default Supply Service Agreement. Supplier shall be responsible for all transmission and distribution losses associated with delivery of energy from the Delivery Points to the ultimate customers' meters.

The Supplier of Default Supply Service shall provide NSTAR Electric's renewable energy obligations resulting from the Renewable Energy Portfolio Standards promulgated at 225 CMR

14.00 et seq. These obligations are for 1.5% of the load to be from qualified Renewable Generation Sources for the period January 1, 2004 through December 31, 2004.

V. Expected Loads

NSTAR Electric's customers are free, at any time, to leave Default Service to take service from competitive suppliers and to return to Default Service.

To assist Suppliers in determining the potential load requirements, upon request, NSTAR Electric will provide the following information electronically (where available):

- ☐ Aggregate historical hourly Default Service load (including losses) by customer group, by distribution company, for the period January, 2001 to February, 2003; and
- ☐ Aggregate historical hourly Default Service load (including losses) by customer group, load zone and distribution company, for the period of March, 2003 to August 2003; and
- ☐ Market research indicating expected participation levels for NSTAR Green Power Program; and
- ☐ Copies of latest available DOER-110 reports showing the number of Default Service customers enrolled and energy consumption at retail by rate schedule.

NSTAR Electric cautions Suppliers that the information provided reflects NSTAR Electric's customers' past performance and is not a measure of future performance. It is understood and agreed that NSTAR Electric shall have no liability or responsibility to any entity resulting from the use of any such information. Suppliers are responsible for forecasting their obligations on an hourly, daily, and monthly basis. However, NSTAR Electric will provide the selected Suppliers with certain information to facilitate the projection of load requirements. Such data includes the history of energy and peak Default Service load, and subsequent updates to such information.

Suppliers may not limit the amount of power supply that may be purchased by NSTAR Electric, but may elect to bid a percentage of the load that the Supplier will serve for a particular customer group or load zone. Proposals that contain limits on the amount of power supply to be provided will be rejected.⁴

The amount of power supply for each customer group or load zone to be supplied by the winning Supplier(s) will be determined in accordance with the procedure contained in ARTICLE 6 of the proposed Power Supply Agreement, a copy of which is provided in Appendix A.

VI. NSTAR Green Program

NSTAR Electric plans to, contingent on MDTE approval, offer a green power option (NSTAR Green) to its customers in both the Residential and Commercial Customer Groups beginning January 1, 2004. NSTAR Green shall provide participating customers with energy resourced utilizing an additional 25% of delivered energy from Renewable Generation, as defined under the

⁴ For example, a Supplier offering to supply the residential customer group in the NEMA load zone must agree to supply a fixed percentage of the needs of that group. The Supplier may not offer to serve a fixed percentage of the residential customer group in the NEMA load zone with the condition that the amount of service purchased does not exceed a specified MW level in any given hour.

Renewable Energy Portfolio Standards promulgated at 225 CMR 14.00 et seq. The Supplier(s) of NSTAR Green will provide Massachusetts Renewable Energy Certificates (REC's) representing 25% of the energy delivered during calendar year 2004 to NSTAR customers who have elected to participate in NSTAR Green; the supply of these RECs is in addition to those minimum renewable energy quantities required to be supplied under Renewable Energy Portfolio Standards regulations (for calendar year 2004, this requirement is 1.5% of the energy supplied to retail customers, as noted above). Under the NSTAR Green Program, RECs representing not less than 5% of the energy delivered to participating customers must be from solar or wind New Renewable Energy resources. The Supplier(s) of NSTAR Green will not be required to supply the energy delivered to customers participating in NSTAR Green. The Supplier of Default Service for the respective customer group and load zone to which the customer would normally belong shall provide the energy delivered to NSTAR Green customers. Suppliers are requested to include separate and distinct pricing for the supply of RECs under the NSTAR Green Program.

VII. Proposals

Each Supplier shall submit a proposal, signed by an authorized official of the Supplier, containing the bid price information required in Appendix B. Appendix B will be provided electronically. In addition, proposals should contain explanatory, descriptive and/or supporting materials as necessary. Each proposal must specify the price at which the Supplier will provide Default Service for each customer group and load zone. Purchases will be made on an "as-delivered" energy basis with prices stated on a fixed ¢/KWH basis. Prices may vary by calendar month, but must be uniform for the entire calendar month and cover the entire Delivery Term selected by the Supplier. In addition, prices should not contain demand components or vary by time-of-use within a calendar month. Bids that contain minimum purchase requirements will be rejected. Suppliers shall specify a price for each customer group on which it bids. The price for each customer group or load zone may be different.⁵ Each proposal shall include the following:

1. Corporate history and most recent annual report;
2. Initial (if founded within the last ten years) and current capitalization;
3. Certified financial statements, including balance sheets and statements of income and cash flow with respect to the two previous fiscal years and the most recent interim period; and
4. Forms 10-K and 10-Q, submitted to the United States Securities and Exchange Commission for the two previous fiscal years, if applicable.

⁵ For example, a Supplier may bid to serve the residential customer group in the SEMA load zone at X¢/kWh, the commercial customer group in the SEMA load zone at Y¢/kWh and the industrial customer group in the SEMA load zone at Z¢/kWh for the month of July 2004. For the month of August 2004, a Supplier may bid to serve the residential customer group in the SEMA load zone at A¢/kWh, the commercial customer group in the SEMA load zone at B¢/kWh and the industrial customer group in the SEMA load zone at D¢/kWh.

5. In the alternative; similar documentation for Supplier's parental entity in the event Supplier intends to rely on such entity to guarantee performance.

VIII. Locational Installed Capacity (LICAP)

Within the time period for delivery under this RFP, Suppliers may have the responsibility for the delivery of LICAP pursuant to the Standard Market Design (SMD) rules as finally approved by FERC. Because LICAP is largely undefined at this time, Suppliers are asked to make separate proposals: a) with the Suppliers taking responsibility for the delivery of LICAP under whatever terms and conditions are approved by the FERC and allocated to Default Service load under SMD, and b) with NSTAR Electric taking responsibility for the delivery of LICAP.

IX. Terms and Conditions

A winning Supplier(s) will be selected to provide Default Service to each of the customer groups and load zones during the term covered by this RFP. Each winning Supplier will provide Default Service to NSTAR Electric in accordance with the terms and conditions of the Power Supply Agreement. A copy of the proposed Power Supply Agreement, assuming one Supplier serves all customer groups and load zones, is provided in Appendix A-1. The winning Supplier(s) will be required to execute the applicable Power Supply Agreement(s) within five (5) business days of being notified that it has been selected as the winning Supplier. Should a Supplier request NSTAR Electric to consider any changes to the Power Supply Agreement, such request should be presented as a mark up to the PSA to NSTAR Electric by 4:00 pm EPT on Friday, October 3, 2003.

The parties selected to provide the RECs under the NSTAR Green program shall likewise be obligated to sign an agreement with NSTAR Electric; the form of such agreement is attached in Appendix A-2 hereof. The winning Supplier(s) will be required to execute such agreement(s) within five (5) business days of being notified that it has been selected as the winning Supplier. Should a Supplier request NSTAR Electric to consider any changes to the agreement, such request should be presented as a mark up to NSTAR Electric by 4:00 pm EPT on Friday, October 3, 2003.

X: Supplier Requirements For Default Service

Each Supplier must obtain all necessary regulatory approvals required to enable it to provide the applicable service prior to January 1, 2004.

Each Supplier responding to this RFP must meet certain conditions, including but not limited to:

- A. Each Supplier must be a member of NEPOOL and have a settlement account established with the NEPOOL billing system throughout the term of the period covered by this RFP.

- B. Demonstrate ability to comply with NEPOOL and ISO requirements;
- C. Demonstrate the ability to access resources sufficient to supply the amount committed (not be to be construed as requiring a potential supplier to hold title to power required at the time of the proposal);
- D. Demonstrate that it has the financial resources to perform its obligations. Further, Supplier shall be required to provide financial assurances and instruments satisfactory to cover NSTAR Electric's replacement power costs in the event of Supplier default including a Letter of Credit in the amount of Forty Million United States Dollars (\$40,000,000) prorated to the amount of Load supplied;
- E. Demonstrate its own experience and qualifications (not that of its affiliates or special purpose entities) to provide the amount and type of power offered;
- F. Commit to assisting and cooperating with NSTAR Electric in any regulatory or judicial process relating to the proposed purchase, at the Supplier's expense;
- G. Demonstrate the ability to meet the labeling and disclosure requirements of the Massachusetts legislation for all resources bid; and
- H. Cooperate with NSTAR's Green Power Program.

XI. Retail Customer Relationships

All customers taking Default Services covered by this RFP will remain retail customers of NSTAR Electric. As the retail provider, NSTAR Electric will bill customers for the service provided and will provide customer service to all customers taking Default Service. NSTAR Electric will use reasonable efforts to provide notification to the Supplier(s) of Default Service of significant customer enrollments and terminations within a customer group.

XII. Right to Reject/Select Supplier

Although it is NSTAR Electric's firm intent to select Suppliers as a result of this RFP, NSTAR Electric shall have the exclusive right to select or reject any and/or all of the proposals submitted at any time, for any reason and to disregard any submission not prepared according to the requirements contained in this RFP. Further, NSTAR Electric expressly reserves the right, in its sole and absolute discretion, to seek clarifications of any submissions, to negotiate to seek modifications to any submissions, to unilaterally change the schedule described herein or modify any of the rules and procedures set forth herein or any other procedures, to terminate the process described herein, and to invite any (or none) of the Suppliers to participate further in the process, all without prior notice to other potential parties.

A person's or an entity's preparation for this process, submission of information in response to this RFP, or participation in this process shall not operate to vest any rights in that person or entity or to create any duties or obligations for NSTAR Electric.

All submissions shall constitute an offer to sell to NSTAR Electric Default Supply Service or Green Power supply to each customer group and load zone and such offer shall be deemed to be held open until the earlier of October 10, 2003 or the date on which it is either accepted or rejected. Pricing contained in such offer may not be changed or withdrawn during this period.

XIII. Process and Schedule

A. Schedule

NSTAR Electric intends to adhere to the following schedule, although it reserves the right to modify the schedule at any time at its sole discretion.

Issue RFP	September 17, 2003
Notice of Intent to Participate	September 24, 2003
Proposals due	October 3, 2003 at 4 p.m. EPT
Award Group Selected	October 9, 2003
Contracts finalized	October 17, 2003
Power Supply begins	January 1, 2004

B. Communications

All communications regarding this RFP must be in writing and may be made by hand delivery, fax or E-mail, addressed to:

NSTAR Electric & Gas Corporation
Electric and Gas Energy Supply
One NSTAR Way, NE220
Westwood, MA 02090-9230
Attn: James G. Daly
Gary L. Cunningham

Fax: 781-441-8066
E-mail: energy_supply@nstaronline.com

Proposals that have been e-mailed or faxed by 4:00 PM, October 3, 2003 must also be delivered by mail or by hand by October 6, 2003.

C. Confidentiality

NSTAR Electric agrees that it will treat the non-public information it receives from Suppliers in a confidential manner and will not, except as required by law or in a regulatory proceeding, disclose such information to any third party or use such information for any purpose other than in connection with this RFP; provided, that, in any regulatory, administrative or jurisdictional proceeding in which confidential information is sought, NSTAR Electric shall take reasonable steps to limit disclosure and use of said information through the use of non-disclosure agreements or orders seeking protective treatment, and shall inform the Supplier if confidential information is being sought. Notwithstanding the foregoing, in any regulatory proceeding in which such confidential information is sought and a request for confidential treatment is made to the DTE, NSTAR Electric shall not be responsible in the event that it is determined that the request for treating information in a confidential manner is not warranted.

D. Evaluation

Proposals will be evaluated on the following bases:

1. Lowest evaluated bid price by customer group and load zone;
2. Responsiveness to non-price requirements; and
3. Risk relative to price and ability to serve the load.

In evaluating bid prices, NSTAR Electric will weigh monthly bids based on a forecast of the monthly Default Service load. In addition, while preference will be given to conforming bids, NSTAR may, at its discretion, review and select non-conforming bids.

APP. A-1

DEFAULT SERVICE POWER SUPPLY AGREEMENT

DATED AS OF [], 2003

BY AND AMONG BOSTON EDISON COMPANY,
CAMBRIDGE ELECTRIC LIGHT COMPANY,
COMMONWEALTH ELECTRIC COMPANY AND
[SUPPLIER]

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DEFAULT SERVICE POWER SUPPLY AGREEMENT

This **DEFAULT SERVICE POWER SUPPLY AGREEMENT** ("Agreement") is dated as of , 2003 and is by and among Boston Edison Company ("BECO"), Commonwealth Electric Company ("Commonwealth") and Cambridge Electric Light Company ("Cambridge") (together, "NSTAR Electric") all wholly owned subsidiaries of NSTAR, with a principal place of business at 800 Boylston Street, Boston, MA 02199, and ("Supplier") with a principal place of business at . This Agreement provides for the sale by Supplier of Default Supply Service, as defined herein, to NSTAR Electric.

ARTICLE 1. BASIC UNDERSTANDINGS

Supplier, in response to a Request for Proposal dated September 17, 2003 issued by NSTAR Electric, has been selected to be the supplier of firm, load-following power to meet NSTAR Electric's requirements for Default Supply Service, as defined herein, for:

 of the requirements for the period through of the customers of in each Customer Group and Load Zone taking service pursuant to the Default Service Tariff.

This Agreement, together with the Appendices hereto, sets forth the terms under which Seller will supply Default Supply Service to NSTAR Electric, for a month period beginning on July 1, 2003 and constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes any other agreements, written or oral (including without limitation the referenced term sheet), between the Parties concerning such subject matter.

ARTICLE 2. DEFINITIONS

The following words and terms shall be understood to have the following meanings when used in this Agreement, or in any associated documents entered into in conjunction with this Agreement. This Agreement includes certain capitalized terms that are not explicitly defined herein. Such capitalized terms shall have the meanings specified in the NEPOOL Agreement or the NEPOOL Rules, as the same are in effect from time to time, which meanings are incorporated herein by reference and made a part hereof. In the event of any inconsistency between a definition contained herein and a definition contained in either the NEPOOL Agreement or the NEPOOL Rules, the definition in this Agreement shall control for purposes of this Agreement.

Additional Assurance Amount is defined in Section 7.4.

Business Day – A day ending at 5:00 p.m. Eastern Prevailing Time, other than Saturday, Sunday and any day which is a legal holiday or a day designated as a holiday by the North American Electric Reliability Council or any successor organization thereto; provided, that, with respect to any payment due hereunder, a "Business Day" shall mean a day ending at 5:00 p.m. Eastern Prevailing Time, other than Saturday, Sunday and any day which is a legal holiday or a day on which banking institutions in Boston, Massachusetts are authorized by law or other governmental action to close; and, provided, further, that with respect to any report to be delivered pursuant to Section 3.2 or Section 6.3 hereof, a "Business Day" shall be a day other than Saturday, Sunday and any day which is a legal holiday or a day designated as a holiday by the ISO.

Claims – All third party claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly relate to the subject matter of an indemnity, and the

resulting losses, damages, expenses, attorneys' fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement.

Commission – Federal Energy Regulatory Commission.

Commercial Customer Group – BECo's small and medium sized commercial and industrial customers in the following retail rate classes: G-1, G-2, T-1, S-1, S-2 and S-3, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule. Cambridge's small and medium sized commercial and industrial customers in the following retail rate classes: G-0, G-1, G-4, G-5, G-6, and S-1, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule. Commonwealth's small and medium sized commercial and industrial customers in the following retail rate classes: G-1, G-4, G-5, G-6, G-7, S-1 and S-2, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule.

Confidential Information – Certain terms of this Agreement that the parties agree shall be kept confidential pursuant to Article 21 hereof, and, information regarding individual NSTAR Electric customers. Notwithstanding the foregoing, the following shall not constitute Confidential Information:

- (a) Information which was already in a Party's possession prior to its receipt from the other Party and not subject to a requirement of confidentiality;
- (b) Information which is obtained from a third person who, insofar as is known to the Party, is not prohibited from transmitting the information to the Party by a contractual, legal or fiduciary obligation to the Party; and
- (c) Information which is or becomes publicly available through no fault of the Party.

Contract Rate – The prices set forth on Appendix B hereto to be paid per month per MWh by NSTAR Electric to Supplier for Default Supply Service provided during each month of the Delivery Term with respect to the applicable Customer Group and Load Zone specified thereon.

Customer Group – The Residential Customer Group, the Commercial Customer Group, and/or the Industrial Customer Group, as applicable.

Defaulting Party is defined in Section 8.1.

Default Service Tariff – BECo's Tariff for Default Service, M.D.T.E. No. 103B, Commonwealth's Tariff for Default Service, M.D.T.E. No. 303B, and Cambridge's Tariff for Default Service, M.D.T.E. No. 203B, as they may be amended from time to time and approved by the Department.

Default Supply Service – All Product requirements of each customer within each Customer Group and Load Zone as described below:

[] of the requirements for the period [] of the customers of BECo, Commonwealth and Cambridge in each Customer Group and Load Zone taking service pursuant to the Default Service Tariff.

The Default Supply Service is currently assigned Load Asset designations (as they may be changed or modified from time to time by the ISO consistent with the terms of this Agreement) within the ISO Market System as:

Asset ID	Asset Name	Description
1483	DEF_SERVICE_RES_BECO LOAD	Residential Default Service - BECo NEMA
?	GRN_DS_RES_BECO NEMA LOAD	Residential Default Green BECo NEMA
1484	DEF_SERVICE_COM_BECO LOAD	Commercial Default Service - BECo NEMA
?	GRN_DS_COM_BECO NEMA LOAD	Commercial Default Green BECo NEMA
1485	DEF_SERVICE_IND_BECO LOAD	Industrial Default Service - BECo NEMA
8121	DEF_SERVICE_RES_BECO SEMA LOAD	Residential Default Service - BECo SEMA
?	GRN_DS_RES_BECO SEMA LOAD	Residential Default Green BECo SEMA
8122	DEF_SERVICE_COM_BECO SEMA LOAD	Commercial Default Service - BECo SEMA
?	GRN_DS_COM_BECO SEMA LOAD	Commercial Default Green BECo SEMA
8123	DEF_SERVICE_IND_BECO SEMA LOAD	Industrial Default Service - BECo SEMA
1486	DEF_SERVICE_RES_COMM LOAD	Residential Default Service - Commonwealth (SEMA)
?	GRN_DS_RES_COMM LOAD	Residential Default Green - COMM (SEMA)
1487	DEF_SERVICE_COM_COMM LOAD	Commercial Default Service - Commonwealth (SEMA)
?	GRN_DS_COM_COMM LOAD	Commercial Default Green - COMM (SEMA)
1488	DEF_SERVICE_IND_COMM LOAD	Industrial Default Service - Commonwealth (SEMA)
1489	DEF_SERVICE_RES_CAMBRIDGE LOAD	Residential Default Service - Cambridge (NEMA)
?	GRN_DS_RES_CAMBRIDGE LOAD	Residential Default Green - CELC (NEMA)
1490	DEF_SERVICE_COM_CAMBRIDGE LOAD	Commercial Default Service - Cambridge (NEMA)
?	GRN_DS_COM_CAMBRIDGE LOAD	Commercial Default Green - CELC (NEMA)
1491	DEF_SERVICE_IND_CAMBRIDGE LOAD	Industrial Default Service - Cambridge (NEMA)

Delivered Energy – The quantity of Energy, expressed in MWhs, provided by Supplier pursuant to this Agreement measured at the Delivery Points. This quantity shall be the quantity of Energy reported to the ISO by NSTAR Electric and/or its agent for each Load Asset, with such quantity being determined in accordance with Section 6.3 hereof. Such quantity includes transmission and distribution losses on NSTAR Electric's respective systems from the Delivery Point to the meters of each customer in each Customer Group and Load Zone taking service pursuant to the Default Service Tariff. PTF losses calculated by the ISO shall not be included in the calculation of Delivered Energy.

Delivery Points – The point or points on the PTF within the following Load Zones, as appropriate for delivery to each customer in each Customer Group in each Load Zone taking service pursuant to the Default Service Tariff:

Load Zone	Location ID
.Z.SEMASS ("SEMA")	4006
.Z.NEMASSBOST ("NEMA")	4008

If, during the Term of this Agreement, the ISO utilizes the Locational Marginal Prices for the Nodes within each Load Zone rather than the Zonal Prices for each Load Zone for settling energy purchased in the Energy Markets, the points shall be the Node or Nodes, as defined by NEPOOL, appropriate for each customer in each Customer Group.

Delivery Term – The period beginning at the hour 0001 Eastern Prevailing Time on January 1, 2004 and continuing through and including the hour ending 2400 Eastern Prevailing Time on {_____}.

Demanding Party is defined in Section 7.3.

Department – Massachusetts Department of Telecommunications and Energy.

Early Termination Date is defined in Section 8.2.

Estimation Process is defined in Section 6.3.

Forecast is defined in Section 7.4.

Green Power Service – Service provided to Customers within the Residential and Commercial Customer Groups who have elected to participate in the NSTAR Green Program.

Indemnifying Party is defined in Section 10.2.

Industrial Customer Group – BECO's large commercial and industrial customers in the following retail rate classes: G-3 and T-2, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule. Cambridge's large commercial and industrial customers in the following retail rate classes: G-2 and G-3, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule. Commonwealth's large commercial and industrial customers in the following retail rate classes: G-2 and G-3, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule.

ISO – The independent system operator established in accordance with the NEPOOL Agreement and the Interim Independent System Operator Agreement as amended, superseded or restated from time to time.

KWh – Kilowatt-hour.

Load Zone – Reliability Regions resulting from implementation of SMD and as defined for use in the ISO-NE Settlement System. The customers of Commonwealth Electric Company are within the Southeastern Massachusetts Load Zone ("Z.SEMASS" or "SEMA") and the customers of Cambridge Electric Light Company are with the Northeastern Massachusetts Load Zone ("Z.NEMASSBOST" or "NEMA"). The customers of Boston Edison Company are within both the NEMA and SEMA Load Zones.

Market Rules and Procedures – The Market Rules, Manuals and Procedures adopted by the ISO and/or members of NEPOOL, as may be amended from time to time, and as administered by the ISO to govern the operation of the NEPOOL markets for Energy, reserves and capability.

Monthly Payment Amount – The total amount payable each calendar month by NSTAR Electric as set forth in Section 5.1.

Moody's – Moody's Investors Service, Inc. and its successors.

MWh – Megawatt-hour.

NE-GIS – The New England Generation Information System, which includes a generation information database and certificate system, operated by NEPOOL, its designee or successor entity, that accounts for generation attributes of electricity consumed within New England.

NE-GIS Certificates – An electronic record produced by the NE-GIS that identifies the relevant generation attributes of each MWh accounted for in the NE-GIS from a new renewable generation unit that complies with the Renewable Energy Portfolio Standards promulgated at 225 CMR 14.00 et seq., or any successor regulation thereto.

NEPOOL - The New England Power Pool and any successor.

NEPOOL Agreement – The New England Power Pool Agreement dated as of September 1, 1971, as amended and/or restated from time to time.

NEPOOL Rules – All rules adopted by NEPOOL or the ISO, as such rules may be amended from time to time, including but not limited to, the Market Rules and Procedures, the NEPOOL Operating Procedures, the NEPOOL Agreement and the Interim Independent System Operator Agreement between NEPOOL and the ISO and all notices, Procedures or Administrative Procedures published by the ISO via its web site and/or by its e-mail distribution to appropriate NEPOOL Participants and/or NEPOOL Functional Committees, as amended, superceded or restated from time to time.

NSTAR Green Program – NSTAR's renewable energy offering, as filed with DTE, which provides a minimum of 25% of energy generated by qualifying Renewable Resource Generators, as defined under the Renewable Energy Portfolio Standards, to participating customers from eligible Customer Groups.

Non-Defaulting Party is defined in Section 8.2.

Party(ies) – The applicable NSTAR Electric entity or Supplier or any of them, as the context requires.

Prime Rate – The lesser of (i) the rate published from time to time in the "Money Rates" section of The Wall Street Journal, as the prime-lending rate, and (ii) the maximum rate permitted by applicable law.

Product – All products required to satisfy all requirements to provide Default Supply Service including, without limitation, capacity (including but not limited to Installed Capability, Unforced Capacity, Quick-Start Capacity, Locational ICAP, etc., if applicable), energy (including but not limited to Energy which satisfies Renewable Energy Portfolio Standards as provided in Article 4, Section 4.2), operating reserves (including but not limited to Ten-Minute Spinning, Ten-Minute Non-Spinning, Thirty Minute Operating Reserves, Replacement Reserves, Forward Reserves, Operating Reserves, etc., if applicable), Regulation (including but not limited to Automatic Generation Control), and Energy Uplift (including but not limited to Energy Uplift, Congestion Cost, Daily RMR Resource expenses and the variable component of RMR Agreements), emergency energy, GIS administrative charges, and ISO Tariff Schedule Nos. 2 and 3 charges, and any other requirements, products, expenses or charges imposed or assessed by NEPOOL or the ISO (including but not limited to those allocated on the basis of Ownership Shares of Load Assets, Load Obligations and/or Load Obligation Deviations (including but not limited to Real-Time, Day-Ahead, and/or Adjusted)). Supplier shall be responsible for all transmission and distribution losses associated with delivery of Energy from the Delivery Points to the ultimate customers' meters, as more particularly described in Section 6.2.

PTF – Facilities categorized as Pool Transmission Facilities under the NEPOOL Agreement.

Registration Letter is defined in Section 6.4

Renewable Energy Portfolio Standards – The regulations (found as of the date of this Agreement at 225 CMR 14.00) promulgated pursuant to M.G.L. c. 25A, § 11F that requires all retail electricity suppliers in Massachusetts to provide a minimum percentage of electricity from certain renewable energy generating resources.

Replacement Price – The price at which the applicable NSTAR Electric entity, acting in a commercially reasonable manner, purchases at the Delivery Points replacement supply for any Default Supply Service not delivered by Supplier in accordance with this Agreement, plus: (i) costs reasonably incurred by such NSTAR Electric entity in purchasing such replacement supply and (ii) additional transmission charges, if any, reasonably incurred by such NSTAR Electric entity to the Delivery Points, if applicable or, absent any such purchase, the market price at the Delivery Points for such Default Supply Service not delivered as determined by such NSTAR Electric entity in a commercially reasonable manner, which may be a market clearing price for such Default Supply Service; provided, however, in no event shall such NSTAR Electric entity be required to utilize or change its utilization of its owned or controlled assets or market positions to minimize Supplier's costs.

Replacement Rule is defined in Section 14.2.

Residential Customer Group – BECo's residential customers in the following retail rate classes: R-1, R-2, R-3 and R-4, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule. Cambridge's residential customers in the following retail rate classes: R-1, R-2, R-3, R-4, R-5 and R-6, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule. Commonwealth's residential customers in the following retail rate classes: R-1, R-2, R-3, R-4, R-5 and R-6, each as in effect as of the date hereof and under a successor or new rate schedule, if any, available to customers meeting the eligibility characteristics of the predecessor rate schedule.

RMR Agreement – The form of agreement set forth in the NEPOOL Rules.

RPS Requirement – GIS Certificates representing the number of MWhs calculated as the product of (a) Delivered Energy (grossed up for PTF losses) to the applicable Customer Group and Load Zone during the Delivery Term, and (b) 0.015, rounded up to the whole MWh for the period January 1, 2004 through December 31, 2004.

S&P – Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) and its successors.

SMD – The implementation in NEPOOL of a congestion management and multi-settlement system within structured markets, currently known as Standard Market Design, as set forth in NEPOOL Rules, and the NEPOOL Agreement, all as amended from time to time.

Supplier Guarantor – [], its successors and permitted assigns under a guaranty delivered to NSTAR Electric in accordance with Section 7.1.

Term is defined in Section 3.1.

ARTICLE 3. TERM AND SERVICE PROVISIONS

Section 3.1 Term

The term (the "Term") of this Agreement shall begin as of the date hereof and extend through and including the end of the Delivery Term, unless this Agreement is sooner terminated in accordance with the provisions hereof. The applicable provisions of this Agreement shall continue in effect in accordance with Section 23 and to the extent necessary to provide for final accounting, final billing, billing adjustments, resolution of any billing disputes, settlement of obligations related to Renewable Energy Portfolio Standards, realization of any collateral or other security, set-off, final payments, payments pertaining to

liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect, or other such provisions that by their terms or operation, survive the termination of this Agreement.

Section 3.2 Data Reporting

By 1:00 p.m. Eastern Prevailing Time of the second following Business Day after each day during the Delivery Term, NSTAR Electric and other applicable reporting entities will report to the ISO, all of NSTAR Electric's Load Assets and each applicable NSTAR Electric entity will report to Supplier its estimated hourly load responsibility for the Default Supply Service. Upon request by NSTAR Electric, Supplier shall provide NSTAR Electric with any and all ISO-generated reports and/or other data received by Supplier. Such information shall be provided electronically and at substantially the same frequency as received from the ISO. Each NSTAR Electric entity shall use reasonable efforts to notify Supplier of aggregate changes in Default Service load, as soon as practical, prior to any customer(s) commencing or ceasing to take Default Supply Service from such NSTAR Electric entity, in the event that such commencement or cessation will likely cause the number of MWs supplied by Supplier hereunder as Default Supply Service to be increased or decreased by 10 MWs or more.

ARTICLE 4. SALE AND PURCHASE

Section 4.1 Default Supply Service

Supplier shall sell and deliver to the Delivery Points and NSTAR Electric shall purchase Default Supply Service during the Delivery Term in accordance with this Agreement. Supplier understands that the Default Supply Service load requirements may change from time to time. Supplier's obligation to supply Default Supply Service requires Supplier to meet the hourly, daily and seasonal electricity load fluctuations associated with customer demand changes. Supplier will be responsible for forecasting its Default Supply Service load obligations on an hourly, daily, and monthly basis. Supplier is responsible for Default Supply Service regardless of changes in customer demand for any reason, including, but not limited to, daily load fluctuations, increased or decreased usage, demand-side management activities, extreme weather and similar events. Supplier's obligation hereunder to sell and provide the Default Supply Service shall not be conditioned upon the availability of any particular electric generating facilities, transmission facilities outside the PTF or power supply arrangements, whether owned by Supplier or third parties.

Section 4.2 NE-GIS Certificates

(a) Supplier agrees to provide NSTAR Electric with NE-GIS Certificates that qualify and meet the Renewable Energy Portfolio Standards in the amount of the RPS Requirement. Accordingly, within NE-GIS, Supplier will transfer and NSTAR Electric will accept NE-GIS Certificates to meet RPS Requirements and load obligation commensurate with the Default Supply Service provided.

(b) If Supplier has not transferred all or part of the NE-GIS Certificates required pursuant to clause (a) above (a "Shortfall") to the applicable certificate accounts of the NSTAR Electric entities by the close of the last trading period for NE-GIS Certificates applicable to Default Supply Service, Supplier agrees to pay NSTAR Electric an amount equal to the product of (i) the number of MWhs which constitute the Shortfall, and (ii) the default payment amount (determined on a MWh basis) set forth in the Renewable Energy Portfolio Standards.

(c) If Supplier has transferred more NE-GIS Certificates than required pursuant to clause (a) above to the NE-GIS accounts of NSTAR Electric as of [____], NSTAR Electric agrees to transfer to Supplier or Supplier's NE-GIS certificate account, as applicable and as soon as practicable thereafter, such excess amount of NE-GIS Certificates

ARTICLE 5. MONTHLY PAYMENT AMOUNT AND BILLING

Section 5.1 Monthly Payment Amount

The Monthly Payment Amount payable by NSTAR Electric to Supplier in respect of each month during the Delivery Term shall be the sum of the product of: (a) the total Delivered Energy to each Customer Group in each Load Zone during such month, and (b) the Contract Rate applicable to such Customer Group in each Load Zone for such month.

Section 5.2 Auction Revenue Rights (ARRs)

It is the intent of the Parties that for each FTR Auction conducted by the ISO for month(s) wholly or partially within the Delivery Term, those ARR's associated only with NSTAR Electric's Default Supply Service shall be assigned or paid to Supplier. Provided, however, no NSTAR Electric entity shall be under any obligation to participate in any manner in any FTR Auction(s) in order to increase Auction Revenue Right quantities.

Section 5.3 Billing and Payment

(a) On or before the tenth (10th) day of each month during the Term of this Agreement, Supplier shall calculate the amount due and payable to Supplier pursuant to this Article 5 with respect to the immediately preceding month, and shall forward to NSTAR Electric an invoice, including such calculation, with sufficient detail for NSTAR Electric to verify the calculation and the total amount due and payable for the previous month. Because quantities determined under Section 6.3 are estimated, and subject to the reconciliation process described in Section 6.3(c), quantities used in calculations under this paragraph (a) shall be subject to adjustment, whether positive or negative, in subsequent invoices by application of the applicable Contract Rate to any such adjusted quantities. In the calculation referenced herein, Supplier agrees to utilize the load responsibility information provided by NSTAR Electric to the ISO, a copy of which shall be provided to Supplier.

(b) NSTAR Electric shall pay Supplier any amounts due and payable hereunder on or before the twentieth (20th) day after receipt of such invoice. All invoices shall be paid by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the payee thereof. If all or any part of any amount due and payable pursuant to paragraph (a) shall remain unpaid thereafter, interest shall thereafter accrue and be payable to Supplier on such unpaid amount at a rate per annum equal to the Prime Rate per annum in effect as of the date of such invoice; provided, however, that no interest shall accrue in respect of adjustment amounts calculated in accordance with Section 6.3(c).

(c) If a Party, in good faith, disputes an invoice, the disputing Party shall immediately notify the other Party of the basis for the dispute and pay the undisputed portion of such invoice no later than the due date. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Prime Rate per annum from and including the due date to but excluding the date paid. Any overpayments shall be returned by the receiving Party upon request or deducted by the receiving Party from subsequent payments with interest accrued at the Prime

Rate until the date paid or deducted from and including the date of such overpayment to (but excluding) the date repaid or deducted by the Party receiving such overpayment.

Section 5.4 Taxes, Fees and Levies

Supplier shall be obligated to pay all present and future taxes, fees and levies, imposed on or associated with delivery of the Default Supply Service up to the Delivery Points. The NSTAR Electric entities shall be obligated to pay all present and future taxes, fees and levies, imposed on or associated with such Default Supply Service at and from the Delivery Points. NSTAR Electric shall provide Supplier with any certificate reasonably required by Supplier to evidence such sales for resale. NSTAR Electric shall have the right to all credits, deductions and other benefits associated with taxes paid by NSTAR Electric or reimbursed to Supplier by NSTAR Electric as described herein.

ARTICLE 6. DELIVERY, LOSSES AND DETERMINATION AND REPORTING OF HOURLY LOADS

Section 6.1 Delivery

(a) The Energy component of Default Supply Service shall be delivered to NSTAR Electric in the form of three-phase sixty-hertz alternating current at the Delivery Points. Supplier shall be responsible for all transmission and distribution costs associated with the use of transmission systems outside of NEPOOL and any local point-to-point charges and distribution charges needed to deliver the power to the Delivery Points. Supplier and NSTAR Electric shall enter into, and file with the ISO, all necessary load asset documents described in Section 6.4.

(b) Each NSTAR Electric entity will make arrangements for the transmission and distribution services necessary to deliver at NSTAR Electric's expense the Default Supply Service from the Delivery Point to each Customer Group and Load Zone, including NEPOOL Regional Network Service, which provides for transmission over PTF, and local network service from any applicable local transmission provider(s), which provides for transmission over non-PTF.

Section 6.2 Losses

Supplier shall be responsible for all transmission and distribution losses associated with the delivery of the electricity component of Default Supply Service to the meters of NSTAR Electric's ultimate customers taking service pursuant to the Default Service Tariff. Supplier shall provide NSTAR Electric at the Delivery Points with additional quantities of electricity and ancillary services to cover such losses from the Delivery Points to the meters of retail customers; the Monthly Payment Amount payable by the NSTAR Electric entities shall be calculated with reference to the quantity of Delivered Energy measured at the Delivery Points. The quantities required for this purpose in each hour of each month during the Delivery Term period shall be determined in accordance with the Estimation Process and NEPOOL's and NSTAR Electric's procedures for loss determination.

Section 6.3 Determination and Reporting of Hourly Loads

(a) NSTAR Electric or its agent will estimate the total hourly load responsibility for the Default Supply Service provided by Supplier pursuant to this Agreement for each Customer Group in each Load Zone based upon average load profiles developed for each such Customer Group and each NSTAR Electric entity's actual total hourly load. Exhibit A, NSTAR Load Estimation and Reconciliation, attached and incorporated herein by reference, provides a general description of the estimation process that each NSTAR Electric entity or its agent will initially employ (the "Estimation Process"). NSTAR Electric

reserves the right to modify the Estimation Process in the future, provided that any such modification shall be designed to enhance the Estimation Process.

(b) NSTAR Electric or its agent will report to the ISO and to Supplier, Supplier's hourly load responsibility for each Load Asset. NSTAR Electric or its agent shall report to the ISO and to Supplier, Supplier's hourly-adjusted Default Supply Service loads by 1:00 p.m. Eastern Prevailing Time of the second following Business Day after each day during the Delivery Term.

(c) To refine the estimates of Supplier's monthly load developed by the Estimation Process, NSTAR Electric shall reconcile the original estimate of Supplier's loads to actual customer usage based on meter reads. Appendix A, attached and incorporated herein by reference, also provides a general description of this reconciliation process.

Section 6.4 NEPOOL Market System

Supplier represents and warrants that it is a NEPOOL member and agrees to remain a NEPOOL member throughout the Term. As soon as possible prior to the start of the Delivery Term, and as required throughout the Delivery Term, each NSTAR Electric entity shall complete an Asset Registration Letter, as described in NEPOOL Manual 28 Section 12, for Electrical Load and Installed Capability for Load Assets ("Registration Letter") and forward to the ISO to be entered into the NEPOOL Market System. In the Registration Letter each NSTAR Electric entity shall assign applicable Load Asset Ownership Shares for all of its Load Assets listed in the Default Supply Service to Supplier for the Delivery Term. Each NSTAR Electric entity and Supplier further agree to promptly deliver to each other copies of all correspondence with the ISO or NEPOOL related to this Agreement, and/or the Default Supply Service provided hereunder.

ARTICLE 7. SECURITY

Section 7.1 Guaranty

In order to secure performance by Supplier in accordance with this Agreement, Supplier shall provide NSTAR Electric, upon the execution of this Agreement, a written performance guarantee, in the form attached hereto as Appendix C, properly executed by Supplier Guarantor.

Section 7.2 Irrevocable Letter of Credit

As additional security for performance by Supplier in accordance with this Agreement, Supplier shall provide NSTAR Electric, on or before July 1, 2003, an irrevocable letter of credit or other security instrument in a form acceptable to NSTAR Electric and that (i) is in the amount of Forty Million United States Dollars (\$40,000,000) prorated to the amount of Load supplied, (ii) is issued by a major U.S. commercial bank or the U.S. branch office of a major foreign bank assigned, in either case, whose senior unsecured debt obligations have been rated at least (A) "A-" by S&P and "A3" by Moody's, if such entity is rated by both S&P and Moody's or (B) "A-" by S&P or "A3" by Moody's, if such entity is rated by either S&P or Moody's but not both ("Qualified Bank"), and (iii) which will allow NSTAR Electric to draw on the letter of credit in an amount equal to the Settlement Amount upon the designation of an Early Termination Date. Supplier shall at all times during the Delivery Term maintain, for the benefit of NSTAR Electric, a letter of credit or other security instrument, which complies with the requirements set forth in this Section 7.2.

Section 7.3 Additional Assurance

If at any time during the Term of this Agreement, the credit rating assigned to the senior unsecured debt obligations of Supplier Guarantor falls below "BBB-" (as assigned by S&P) or its equivalent from Moody's (the "Trigger Event"), Supplier (the "Triggering Entity") shall provide credit support to the applicable NSTAR Electric entity (the "Demanding Party"), within three (3) Business Days after the Demanding Party's written request therefor, in any of the following forms, in an amount equal to the Additional Assurance Amount calculated by the Demanding Party pursuant to Section 7.4 of this Agreement (less the available undrawn amount of any letter of credit or other security instrument provided in accordance with Section 7.2 of this Agreement and less the amount of any such additional assurance previously provided in accordance with this Section 7.3 and then held by such Demanding Party) determined as of the date of the Trigger Event: (i) a letter of credit issued by a major U.S. commercial bank or the U.S. branch office of a major foreign bank assigned, in either case, whose senior unsecured debt obligations have been rated at least (A) "A-" by S&P and "A3" by Moody's, if such entity is rated by both S&P and Moody's or (B) "A-" by S&P or "A3" by Moody's, if such entity is rated by either S&P or Moody's but not both, and which will allow the Demanding Party to draw on the letter of credit in the full amount of the Additional Assurance Amount (as defined in Section 7.4) upon the occurrence of an Event of Default; or (ii) such other credit support proposed by the Triggering Party that is reasonably acceptable to the Demanding Party.

Section 7.4 Additional Assurance Amount

For purposes of this Article 7, the "Additional Assurance Amount" shall be an amount equal to the positive difference, if any, between the (a) replacement value of this Agreement, calculated with reference to the Replacement Price and the Forecast, and (b) the contract value of this Agreement calculated with reference to the Contract Rate and the Forecast (the "Contract Value"). For purposes of determining the Settlement Amount pursuant to this Section 7.4, the quantity of Energy to be delivered in respect of Default Supply Service shall be based upon a forecast for the balance of the Delivery Term by the Demanding Party in good faith and in a commercially reasonable manner (the "Forecast").

ARTICLE 8. DEFAULT AND REMEDIES

Section 8.1 Events of Default

Any one or more of the following shall constitute an "Event of Default" hereunder with respect to any NSTAR Electric entities, the Supplier or the Supplier Guarantor (the "Defaulting Party"):

- (a) The failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within three (3) Business Days after written notice;
- (b) Any representation or warranty made by such Defaulting Party herein, or, with respect to Supplier, by Supplier Guarantor in the Guaranty, is false or misleading in any material respect when made or when deemed made or repeated;
- (c) With respect to Supplier, the failure to satisfy any material obligation, including but not limited to failure to provide Products, failure to satisfy any obligation under the NEPOOL Agreement, the NEPOOL Tariff, the Market Rules and associated Manuals, or ISO-NE Administrative Procedures, failure to satisfy any ISO or NEPOOL financial assurance policies or failure to remain a member of NEPOOL throughout the Delivery term, or the failure to satisfy any obligation with respect to the ISO or NEPOOL that affects the Supplier's right or ability to engage in transactions at the ISO;
- (d) The failure to provide or maintain the Guaranty or the Additional Assurance required pursuant to Article 7 of this Agreement;

(e) The failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default as specified above) or, with respect to Supplier, by Supplier Guarantor in the Guaranty if such failure is not remedied within three (3) Business Days after written notice; or

(f) Such entity or, with respect to Supplier, Supplier Guarantor: (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they fall due.

Section 8.2 Right of Early Termination Upon Event of Default

If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the aggrieved Party (the "Non-Defaulting Party") shall have the right to designate a day, no earlier than the day such notice is effective and no later than 20 days after such notice is effective, as an early termination date ("Early Termination Date"). The amount payable in respect of an Event of Default and any Early Termination of this Agreement shall be determined pursuant to Section 8.3.

Section 8.3 Remedies Upon an Event of Default; Settlement Amount

(a) Upon the occurrence of an Event of Default, the Non-Defaulting Party shall calculate a Settlement Amount. The "Settlement Amount" shall be an amount equal to the "Additional Assurance Amount" calculated by the Non-Defaulting Party in accordance with Section 7.4 hereof plus, without duplication, its total losses and costs in connection with such default, including losses and costs associated with an early termination of this Agreement pursuant to Section 8.2, any loss of bargain, cost of funding or, at the election of such Non-Defaulting Party but without duplication and consistent with such Non-Defaulting Party's obligation to mitigate such losses and costs, loss or cost (including employee and consultant costs and reasonable attorneys' fees) incurred as a result of its obtaining, terminating, establishing or reestablishing any hedge in connection with such transactions or replacement of such transactions, and any losses and costs in respect of performance (or failure to perform) under the Agreement on or before the time of such termination. For purposes of determining the Settlement Amount pursuant to this Section 8.3(a), the applicable quantity of Default Supply Service shall be based upon the Forecast and the Defaulting Party shall be deemed to be the "Triggering Party". The Non-Defaulting Party shall also have the right to pursue specific performance with respect to an Event of Default.

(b) The Non-Defaulting Party shall be entitled to accelerate all amounts owing by the Defaulting Party under this Agreement (whether or not then due) and shall be entitled to withhold and set off any amounts owed by the Non-Defaulting Party to the Defaulting Party against any such accelerated payments and any other amounts owed by the Defaulting Party to the Non-Defaulting Party, including any Settlement Amount payable as a result of any early termination of this Agreement.

Section 8.4 Notice of Payment of Settlement Amount

As soon as practicable after an Early Termination Date, notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Settlement Amount. The notice shall include a written statement explaining in reasonable detail the calculation of such amount and shall indicate the underlying assumptions, quotations, prices and forecasts, used to calculate the same. The Settlement

Amount shall be paid by the Party owing such amount within two (2) Business Days after such notice. If the Defaulting Party disagrees with the calculation of the Settlement Amount, the undisputed portion of such amount shall be paid and the Defaulting Party shall have the right to dispute the same through applicable legal recourse.

Section 8.5 Obligations Following Expiration or Termination

Upon the termination or expiration of this Agreement, in addition to such rights and obligations enumerated elsewhere in this Agreement, the grant of any and all right and interest to Supplier to supply the Default Supply Service shall cease, and NSTAR Electric and Supplier shall immediately make all necessary filings with NEPOOL and the ISO and perform all other acts necessary to transfer all such rights and interests back to NSTAR Electric.

ARTICLE 9. NOTICES, REPRESENTATIVES OF THE PARTIES

Section 9.1 Notices

Any notice, demand, or request required or authorized by this Agreement to be given by one Party to another Party shall be in writing. Such notice shall be sent by facsimile or electronic messaging (confirmed by telephone), courier, personally delivered or mailed, postage prepaid, to the representative of the other Party designated in this Article 9. Any such notice, demand, or request shall be deemed to be given (i) when sent by facsimile or electronic messaging, (ii) when actually received if delivered by courier, overnight mail or personal delivery, or (iii) three (3) days after deposit in the United States mail, if sent by first class mail.

Notices and other communications by Supplier to NSTAR Electric shall be addressed to:

Mr. Robert H. Martin
Director, Electric & Gas Contract Administration
NSTAR Electric & Gas Corporation
One NSTAR Way NE220
Westwood, MA 02090
(781) 441-8058
(781) 441-8053 (fax)

With a copy to:

NSTAR Electric & Gas Corporation
800 Boylston Street
Boston, MA 02199
Attention: Timothy Cronin
(617) 424-2104
(617) 424-2733 (fax)

Notices and other communications by NSTAR Electric to Supplier shall be addressed to:

[Name]
[Company]
[Address]
[City, State and Zip]
[Phone]
[Fax]

With a copy to:

Any Party may change its representative by written notice to the other Parties.

Section 9.2 Authority of Representative

The Parties' representatives designated in Section 9.1 shall have full authority to act for their respective principals in all technical matters relating to the performance of this Agreement. The Parties' representatives shall not, however, have the authority to amend, modify, or waive any provision of this Agreement unless they are authorized officers of their respective entities and such amendment, modification or waiver is made pursuant to Article 17.

ARTICLE 10. LIABILITY, INDEMNIFICATION, AND RELATIONSHIP OF PARTIES

Section 10.1 Limitation on Consequential, Incidental and Indirect Damages

TO THE FULLEST EXTENT PERMITTED BY LAW, NEITHER NSTAR ELECTRIC NOR SUPPLIER, NOR THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, PARENT OR AFFILIATES, SUCCESSOR OR ASSIGNS, OR THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, OR EMPLOYEES, SUCCESSORS OR ASSIGNS, SHALL BE LIABLE TO THE OTHER PARTY OR ITS PARENT, SUBSIDIARIES, AFFILIATES, OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, SUCCESSORS OR ASSIGNS, FOR CLAIMS, SUITS, ACTIONS OR CAUSES OF ACTION FOR INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE, MULTIPLE OR CONSEQUENTIAL DAMAGES CONNECTED WITH OR RESULTING FROM PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, OR ANY ACTIONS UNDERTAKEN IN CONNECTION WITH OR RELATED TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY SUCH DAMAGES WHICH ARE BASED UPON CAUSES OF ACTION FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE AND MISREPRESENTATION), BREACH OF WARRANTY, STRICT LIABILITY, STATUTE, OPERATION OF LAW, UNDER ANY INDEMNITY PROVISION OR ANY OTHER THEORY OF RECOVERY. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, UNLESS OTHERWISE SPECIFIED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. THE PROVISIONS OF THIS SECTION 10.1 SHALL APPLY REGARDLESS OF FAULT AND SHALL SURVIVE TERMINATION, CANCELLATION, SUSPENSION, COMPLETION OR EXPIRATION OF THIS AGREEMENT.

Section 10.2 Indemnification

(a) Each Party shall indemnify, defend and hold harmless the other Party from and against any Claims arising from or out of any event, circumstance, act or incident occurring or existing during the period when control and title to Product is vested in such Party as provided in Section 10.4.

(b) If any Party intends to seek indemnification under this Section 10.2 from the other Party with respect to any Claim, the Party seeking indemnification shall give the other Party notice of such Claim within fifteen (15) days of the commencement of, or actual knowledge of, such Claim. Such Party seeking indemnification shall have the right, at its sole cost and expense, to participate in the defense of any such Claim. The Party seeking indemnification shall not compromise or settle any such Claim without the prior consent of the other Party, which consent shall not be unreasonably withheld.

(c) Notwithstanding any provision to the contrary herein, the Parties agree that Boston Edison Company, Cambridge Electric Light Company, and Commonwealth Electric Company shall not be jointly and severally liable for the obligations hereunder.

Section 10.3 Independent Contractor Status

Nothing in this Agreement shall be construed as creating any relationship between NSTAR Electric and Supplier other than that of Supplier as independent contractors for the sale of Default Supply Service, and NSTAR Electric as principal and purchaser of such Service. Neither Party shall be deemed to be the agent of the other Party for any purpose by reason of this Agreement, and no partnership or joint venture or fiduciary relationship between the Parties is intended to be created hereby.

Section 10.4 Title; Risk of Loss

Title to and risk of loss related to the Default Supply Service shall transfer from Supplier to the applicable NSTAR Electric entity at the Delivery Point. Supplier warrants that it will deliver to NSTAR Electric the Default Supply Service free and clear of all Claims or any interest therein or thereto by any person or entity arising prior to the Delivery Point.

ARTICLE 11. ASSIGNMENT

Section 11.1 General Prohibition Against Assignments

Except as provided in Section 11.2 below, neither Party shall assign, pledge or otherwise transfer this Agreement or any right or obligation under this Agreement without first obtaining the other Party's written consent, which consent shall not be unreasonably withheld.

Section 11.2 Exceptions to Prohibition Against Assignments

Either Party may, without the other Party's prior written consent, (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements, provided that such Party shall not be relieved of any obligation hereunder; or (ii) transfer or assign this agreement to any person or entity succeeding by merger or by acquisition of all or substantially all of the assets of the assigning Party (provided such person or entity shall have a net worth and creditworthiness equal to or higher than that of such assigning Party); provided, however, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof.

ARTICLE 12. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and shall be binding upon the Parties hereto and their respective permitted successors and assigns.

ARTICLE 13. WAIVERS

The failure of either Party to insist in any one or more instance upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights under this Agreement shall not be construed as a general waiver of any such provision or the relinquishment of any such right, except to the extent such waiver is in writing and signed by an authorized representative of such Party.

ARTICLE 14. REGULATION

Section 14.1 Laws and Regulations

Each Party shall perform its obligations hereunder in accordance with applicable law, rules and regulations. The rates, charges, terms and conditions contained in this Agreement are not subject to change under Sections 205 or 206 of the Federal Power Act, as either section may be amended or superseded, absent the mutual written agreement of the Parties. It is the intent of this Section that, to the maximum extent permitted by law, the rates, charges, terms and conditions of this Agreement shall not be subject to such change.

Section 14.2 NEPOOL Requirements

This Agreement must comply with all NEPOOL Rules. If, during the Term, the NEPOOL Rules are terminated or amended in a manner that would eliminate or materially alter a NEPOOL Rule affecting a material right or obligation of a Party hereunder, or if such a NEPOOL Rule is eliminated or materially altered by NEPOOL or the ISO, the Parties agree to negotiate in good faith in an attempt to amend this Agreement to incorporate a replacement rule ("Replacement Rule"). The intent of the Parties is that any such Replacement Rule reflect, as closely as possible, the intent, substance and effect of the NEPOOL Rule being replaced as such NEPOOL Rule was in effect prior to such termination or amendment of the NEPOOL Rule(s) or elimination or alteration of the NEPOOL Rule(s), and that the adoption of any Replacement Rule shall not alter (i) the obligations of the Parties pursuant to Article 4 or 5 of this Agreement, or (ii) the Contract Rate. The Parties agree to negotiate in good faith to restore this Agreement to embody the Parties' original intent and economic effect.

Section 14.3 Uniform Disclosure Requirements

On a calendar quarterly basis, Supplier shall provide NSTAR Electric information pertaining to power plant emissions, fuel types, labor information and any other information to the extent required by NSTAR Electric to comply with the uniform disclosure requirements contained in 220 CMR 11.00 and any other such disclosure regulations which may be imposed upon NSTAR Electric during the Term, as such disclosure requirements apply to Default Supply Service provided by Supplier pursuant to this Agreement.

Section 14.4 Competitive Affiliates of Supplier

If a Competitive Affiliate of Supplier exists during the Term, Supplier shall not disclose any information received from NSTAR Electric regarding individual retail customers or this Agreement, or assign any interest hereunder, to any such Competitive Affiliate. The term "Competitive Affiliate" shall

be as defined in 220 C.M.R 12, and shall refer to an entity that is engaged in the sale of electricity to customers in Massachusetts.

Section 14.5 Sales Tariffs

Each party agrees that if it seeks to amend any applicable power sales tariff during the Term, such amendment will not in any way affect this Agreement without the prior written consent of the other Party. Each Party further agrees that it will not assert, or defend itself, on the basis that any applicable tariff is inconsistent with this Agreement.

ARTICLE 15. INTERPRETATION

The interpretation and performance of this Agreement shall be in accordance with and controlled by the laws of the Commonwealth of Massachusetts, without giving effect to its conflict of laws provisions.

ARTICLE 16. SEVERABILITY

If any provision or provisions of this Agreement shall be held invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired thereby; and the Parties hereby agree to effect such modifications to this Agreement as shall be reasonably necessary in order to give effect to the original intention of the Parties.

ARTICLE 17. MODIFICATIONS

No modification to this Agreement will be binding on any Party unless it is in writing and signed by all Parties.

ARTICLE 18. REPRESENTATIONS AND WARRANTIES

Supplier and each NSTAR Electric entity represents and warrants to the other that:

- (a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
- (b) It has all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;
- (c) The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;
- (d) This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms; subject to any equitable defenses;
- (e) It is not bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it, which would result in it being or becoming bankrupt; and
- (f) There is not pending or, to its knowledge, threatened against it any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

ARTICLE 19. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument.

ARTICLE 20. HEADINGS; CONSTRUCTION

Article and Section headings used throughout this Agreement are for the convenience of the Parties only and are not to be construed as part of this Agreement. For purposes of this Agreement, the term "including" shall mean "including, without limitation" and the terms "herein", "hereunder", "herewith" and "hereof" are references to this Agreement, taken as a whole. The Parties acknowledge that this Agreement is the result of joint discussion and negotiation. Each Party contributed to the substantive provisions hereof and no Party can be identified as the sole drafter hereof.

ARTICLE 21. CONFIDENTIALITY

All Confidential Information shall be held and treated by the Parties and their agents in confidence, used solely in connection with this Agreement, and shall not, except as hereinafter provided, be disclosed without the other Party's prior written consent. Notwithstanding the foregoing, this Agreement may be disclosed to a third party (a) for the purpose of effectuating the supply, transmission and/or distribution of Energy or any other product or service to be delivered pursuant to this Agreement, (b) to regulatory authorities of competent jurisdiction, or as otherwise required by applicable law, regulation or order, and (c) to third parties in connection with a merger, acquisition/disposition and financing transactions, or audit, provided that any such third party shall have signed a confidentiality agreement with the disclosing party containing customary terms and conditions that protect against the disclosure of the Confidential Information, that strictly limit the recipient's use of such information only for the purpose of the subject transaction and that provide for remedies for non-compliance. In the event that either Party ("Disclosing Party") is requested or required to disclose any Confidential Information pursuant to subsections (a) and (b) above, the Disclosing Party shall provide the other Party with prompt written notice of any such request or requirement, so that the other Party may seek an appropriate protective order, other confidentiality arrangement or waive compliance with the provisions of this Agreement. If, failing the entry of a protective order, other confidentiality arrangement or the receipt of a waiver hereunder, the Disclosing Party, in the opinion of counsel, is compelled to disclose Confidential Information, the Disclosing Party may disclose that portion of the Confidential Information which the Disclosing Party's counsel advises that the Disclosing Party is compelled to disclose; provided, that any such disclosure includes a request for confidential treatment of this Agreement and the request for redaction of the Confidential Information from the copies of this Agreement which are placed in the public record or otherwise made available. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation. In addition, to the foregoing, the disclosing Party shall indemnify, defend and hold harmless the other Party from and against any Claims, threatened or filed, and any losses, damages, expenses, attorneys' fees or court costs incurred by such Party in connection with or arising directly or indirectly from or out of the disclosing Party's disclosure of the Confidential Information to third parties except as permitted by subsection (c) above.

ARTICLE 22. AUDIT

Each Party has the right, at its sole expense and during normal working hours, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement. If requested, a Party shall provide to the other Party statements evidencing the quantities of Energy delivered at the Delivery Points. If any such examination

reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made promptly and shall bear interest calculated at the Interest Rate from the date the overpayment or underpayment was made until paid.

ARTICLE 23. SURVIVAL

The provisions of Article 5, Sections 3.2, 8.3, 8.4, Article 10, Section 14.4, and Articles 21, 22 and 24 hereof, and to the extent any Section of this Agreement specifies by its terms that it survives termination, such Section shall survive the termination or expiration of this Agreement; provided, however, that in no event shall the Term or any Provision of this Agreement extend beyond the second (2nd) anniversary of the last day of the Delivery Term.

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Agreement on their behalf as of the date first above written.

BOSTON EDISON COMPANY

By: _____
Name: _____
Title: _____

CAMBRIDGE ELECTRIC LIGHT COMPANY

By: _____
Name: _____
Title: _____

COMMONWEALTH ELECTRIC COMPANY

By: _____
Name: _____
Title: _____

APPENDIX A. NSTAR LOAD ESTIMATION AND RECONCILIATION

1. General Description

Each business day, NSTAR calculates its territory loads for every hour of the previous day(s) using actual hourly generation and interchange metered values. The territory loads are defined as the total customer load plus non-PTF transmission and distribution losses for the Load Zones within each service territory (Boston Edison NEMA, Boston Edison SEMA, Commonwealth (SEMA) & Cambridge (NEMA)). The territory loads are then input to the Load Estimation process.

Load Estimation at NSTAR ELECTRIC is billing account based. For each active account for the day to be estimated, a daily billing load is developed. This is accomplished in one of two ways. First, if the account has been billed, the latest bill information (account, number of billing days, total kWh, supplier ID) is used to compute a daily average use (total kWh/number of billing days). Second, if the account is active but has not been billed (new account), a daily rate average is used. The daily rate average is based on the past 24 months billing for all customers by rate.

The billing file used in this process is a SAS dataset created each day upon the completion of nightly cycle billing through the Customer Information System ("CIS"). This SAS dataset combines three of the Companies' four billing systems, computer billed accounts, time-of-use billed accounts, and special ledger accounts, into one file. A fourth billing system, municipal lighting, is incorporated by the load estimation process. The SAS dataset and municipal lighting files include the Load Zone assignment for each account.

Once daily billing loads are developed using the CIS data, line losses are added to each account. The losses are by rate code and are based on NSTAR studies. Adding the line losses to the daily billing load for each account creates the daily load for estimation per account.

Load shapes are applied to the daily load for estimation per account. The load shapes are based on load research data and are broken into weekday load shape and weekend load shape. The application of the load shape distributes the daily load for estimation for each account over 24 hours.

Telemetered accounts (when available) are eliminated at this point. Telemetered accounts are added back later in the process.

Account loads for estimation are then aggregated by supplier ID by Load Zone. When telemetered load is available, it will be scaled for line losses and added back in at this point. Hourly ratios are now developed for each supplier based on the suppliers estimated total load to the total estimated load within each Load Zone.

Metered wholesale load is subtracted from the total territory load (for each Load Zone) for purposes of estimation. The hourly supplier ratios developed from CIS data are applied to the net territory load (for each Load Zone) to calculate each supplier's contribution to the Load Zone load. Metered wholesale load is then added back into the total.

Final estimated supplier values (by Load Zone) are then posted to the ISO Reporting Application ("IRA") System for transmission to ISO-NE.

2. Reporting Of Suppliers' Loads To The ISO

The total hourly load estimates for each supplier's Load Assets are reported to the ISO, in accordance with the ISO standards, for use in the ISO wholesale settlement process.

3. Monthly Reconciliation

Under SMD, the ISO's meter adjustment process requires the re-submittal of hourly data. Territory loads (by Load Zone) may change due to corrections to hourly generation and interchange metered values. Note: the day after reporting of loads may have required directly metered values to be estimated because of equipment / communication problems. These changes will be submitted to the ISO within a 45-day period following the ISO's bill for the month. For example, if the ISO issues its March 2003 bill on April 15, Participants must submit revised hourly data for interchange metering by May 30, 2003. The revised hourly meter data will result in changes to NSTAR's calculated hourly territory load values (Boston Edison NEMA, Boston Edison SEMA, Commonwealth (SEMA) & Cambridge (NEMA)). Revised territory loads are then input to the Load Reconciliation process.

Suppliers' estimated loads must be reconciled to their customers' metered usage and submitted to the ISO 80 days after the ISO's bill for the month. Each distribution company uses customers' actual meter readings, to the extent that they are available, to re-estimate each supplier's hourly loads (by Load Zone) and report the appropriate load assets to the ISO.

The reconciliation methodology is same as the load estimation methodology (actual billing data used instead of latest billing data).

For time of use customers, the actual interval data for the calendar month will be used for reconciliation when available.

Each supplier's reconciled hourly loads are reported to the ISO for resettlement.

4. ICAP

SMD also requires ICAP contributions (by Load Asset) to be calculated each day based on the previous power year's historical peak. Reference Market Rule 1 and related Market Manuals for specific details.

APPENDIX B. CONTRACT RATE

Boston Edison Company

NEMA Load Zone	Residential Contract Rate	Commercial Contract Rate	Industrial Contract Rate
January 2004	¢/kWh	¢/kWh	¢/kWh
February 2004	¢/kWh	¢/kWh	¢/kWh
March 2004	¢/kWh	¢/kWh	¢/kWh
April 2004	¢/kWh	¢/kWh	N/A
May 2004	¢/kWh	¢/kWh	N/A
June 2004	¢/kWh	¢/kWh	N/A
July 2004	¢/kWh	¢/kWh	N/A
August 2004	¢/kWh	¢/kWh	N/A
September 2004	¢/kWh	¢/kWh	N/A
October 2004	¢/kWh	¢/kWh	N/A
November 2004	¢/kWh	¢/kWh	N/A
December 2004	¢/kWh	¢/kWh	N/A

Boston Edison Company

SEMA Load Zone	Residential Contract Rate	Commercial Contract Rate	Industrial Contract Rate
January 2004	¢/kWh	¢/kWh	¢/kWh
February 2004	¢/kWh	¢/kWh	¢/kWh
March 2004	¢/kWh	¢/kWh	¢/kWh
April 2004	¢/kWh	¢/kWh	N/A
May 2004	¢/kWh	¢/kWh	N/A
June 2004	¢/kWh	¢/kWh	N/A
July 2004	¢/kWh	¢/kWh	N/A
August 2004	¢/kWh	¢/kWh	N/A
September 2004	¢/kWh	¢/kWh	N/A
October 2004	¢/kWh	¢/kWh	N/A
November 2004	¢/kWh	¢/kWh	N/A
December 2004	¢/kWh	¢/kWh	N/A

Cambridge Electric Light Company

NEMA Load Zone	Residential Contract Rate	Commercial Contract Rate	Industrial Contract Rate
January 2004	¢/kWh	¢/kWh	¢/kWh
February 2004	¢/kWh	¢/kWh	¢/kWh
March 2004	¢/kWh	¢/kWh	¢/kWh
April 2004	¢/kWh	¢/kWh	N/A
May 2004	¢/kWh	¢/kWh	N/A
June 2004	¢/kWh	¢/kWh	N/A
July 2004	¢/kWh	¢/kWh	N/A
August 2004	¢/kWh	¢/kWh	N/A
September 2004	¢/kWh	¢/kWh	N/A
October 2004	¢/kWh	¢/kWh	N/A
November 2004	¢/kWh	¢/kWh	N/A
December 2004	¢/kWh	¢/kWh	N/A

Commonwealth Electric Company

SEMA Load Zone	Residential Contract Rate	Commercial Contract Rate	Industrial Contract Rate
January 2004	¢/kWh	¢/kWh	¢/kWh
February 2004	¢/kWh	¢/kWh	¢/kWh
March 2004	¢/kWh	¢/kWh	¢/kWh
April 2004	¢/kWh	¢/kWh	N/A
May 2004	¢/kWh	¢/kWh	N/A
June 2004	¢/kWh	¢/kWh	N/A
July 2004	¢/kWh	¢/kWh	N/A
August 2004	¢/kWh	¢/kWh	N/A
September 2004	¢/kWh	¢/kWh	N/A
October 2004	¢/kWh	¢/kWh	N/A
November 2004	¢/kWh	¢/kWh	N/A
December 2004	¢/kWh	¢/kWh	N/A

APPENDIX C. GUARANTEE AGREEMENT

This Guaranty Agreement (the "Guarantee") is made by ("Guarantor"), a corporation, in favor of Boston Edison Company ("BECO"), Commonwealth Electric Company ("Commonwealth") and Cambridge Electric Light Company ("Cambridge") (together, "NSTAR Electric") all wholly owned subsidiaries of NSTAR, with a principal place of business at 800 Boylston Street, Boston, MA 02199 ("Counterparty").

WHEREAS, (""), a corporation ("") and Counterparty are parties to that certain Default Service Power Supply Agreement ("Agreement") dated as of (the "Agreement")

WHEREAS, Guarantor is the direct or indirect parent of [____], will receive substantial and direct benefits from the extensions of credit contemplated by the Agreement and has agreed to enter into this Guaranty to provide assurance for the performance of [____] obligations in connection with the Agreement and to induce the Counterparty to enter into the Agreement; and

WHEREAS, the execution and delivery of this Guaranty is a condition to Counterparty's further performance of its obligations under the terms of the Agreement.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the adequacy, receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. **Guaranty.** Guarantor hereby unconditionally and absolutely guarantees the punctual payment when due of [____] payment obligations arising under the Agreement, as such Agreement may be amended or modified from time to time, (collectively, the "Guaranteed Obligations"). Guarantor's obligations and liability under this Guaranty shall be limited to payment obligations only and Guarantor shall have no obligation to perform under the Agreement, including, without limitation, to sell, deliver, supply or transport gas, electricity or any other commodity.

2. **Guaranty Absolute.** The liability of Guarantor under this Guaranty shall be absolute and unconditional irrespective of:

- (a) any lack of validity or enforceability of or defect or deficiency applicable to [____] in any Agreement or any other documents executed in connection with any Agreement; or
- (b) any modification, extension or waiver of any of the terms of any Agreement; or
- (c) any change in the time, manner, terms or place of payment of or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from any Agreement or any other agreement or instrument executed in connection therewith; or
- (d) except as to applicable statutes of limitation, failure, omission, delay, waiver or refusal by Counterparty to exercise, in whole or in part, any right or remedy held by Counterparty with respect to any Agreement or any transaction under any Agreement; or
- (e) any change in the existence, structure or ownership of Guarantor or [____] or any insolvency, bankruptcy, reorganization or other similar proceeding affecting [____] or its assets.

The obligations of the Guarantor hereunder are several from [____] or any other person, and are primary obligations concerning which the Guarantor is the principal obligor. There are no conditions

precedent to the enforcement of this Guaranty, except as expressly contained herein. It shall not be necessary for Counterparty, in order to enforce payment by Guarantor under this Guaranty, to show any proof of [] default, to exhaust its remedies against [], any other guarantor, or any other person liable for the payment or performance of the Guaranteed Obligations.

This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations are annulled, set aside, invalidated, declared to be fraudulent or preferential, rescinded or must otherwise be returned, refunded or repaid by Counterparty upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of [] or any other guarantor, or upon or as a result of the appointment of a receiver or conservator of, or trustee for [] or any other guarantor or any substantial part of its property or otherwise, all as though such payment or payments had not been made.

3. **Waiver.** This is a guaranty of payment and not of collection. Guarantor hereby waives:

- (a) notice of acceptance of this Guaranty, of the creation or existence of any of the Guaranteed Obligations and of any action by Counterparty in reliance hereon or in connection herewith;
- (b) notice of the entry into any Agreement between [] and Counterparty and of any amendments, supplements or modifications thereto; or any waiver of consent under any Agreement, including waivers of the payment and performance of the obligations thereunder;
- (c) notice of any increase, reduction or rearrangement of [] obligations under any Agreement or any extension of time for the payment of any sums due and payable to the Counterparty under any Agreement;
- (d) except as expressly set forth herein, presentment, demand for payment, notice of dishonor or nonpayment, protest and notice of protest or any other notice with respect to the Guaranteed Obligations; and
- (e) any requirement that suit be brought against, or any other action by Counterparty be taken against, or any notice of default or other notice be given to, or any demand be made on [] or any other person, or that any other action be taken or not taken as a condition to Guarantor's liability for the Guaranteed Obligations under this Guaranty or as a condition to the enforcement of this Guaranty against Guarantor.

4. **Expenses.** Subject to the limit on Guarantor's liability hereunder set forth in Section 1, Guarantor agrees to pay on demand any and all out-of-pocket costs, including reasonable legal fees and expenses, and other expenses incurred by Counterparty in enforcing Guarantor's payment obligations under this Guaranty; provided that the Guarantor shall not be liable for any expenses of Counterparty if it is not successful in such enforcement action.

5. **Subrogation.** Guarantor shall be subrogated to all rights of Counterparty against [] in respect of any amounts paid by Guarantor pursuant to the Guaranty, provided that Guarantor waives any rights it may acquire by way of subrogation under this Guaranty, by any payment made hereunder or otherwise (including, without limitation, any statutory rights of subrogation under Section 509 of the Bankruptcy Code, 11 U.S.C. § 509, or otherwise), reimbursement, exoneration, contribution, indemnification, or any right to participate in any claim or remedy of Counterparty against any collateral which Counterparty now has or acquires, until all of the Guaranteed Obligations shall have been irrevocably paid to Counterparty in full. If any amount shall be paid to the Guarantor on account of such subrogation rights at any time when all the Guaranteed Obligations in default shall not have been paid in full, such amount shall be held in trust for the benefit of Counterparty and shall forthwith be paid to Counterparty to be applied to the Guaranteed Obligations. If (a) the Guarantor shall perform and shall make payment to Counterparty of all or any part of the Guaranteed Obligations and (b) all the Guaranteed

Obligations shall have been paid in full, Counterparty shall, at the Guarantor's request, execute and deliver to the Guarantor appropriate documents necessary to evidence the transfer by subrogation to the Guarantor of any interest in the Guaranteed Obligations resulting from such payment by Guarantor.

6. **Reservation of Defenses.** Guarantor agrees that except as expressly set forth herein, it will remain bound upon this Guarantee notwithstanding any defenses which, pursuant to the laws of suretyship, would otherwise relieve a guarantor of its obligations under a Guarantee. Guarantor does reserve the right to assert defenses which [] may have to payment of any Guaranteed Obligation other than defenses arising from the bankruptcy or insolvency of [] and other defenses expressly waived hereby.

7. **Notices.** All demands, notices and other communications provided for hereunder shall, unless otherwise specifically provided herein, (a) be in writing addressed to the party receiving the notice at the address set forth below or at such other address as may be designated by written notice, from time to time, to the other party, and (b) be effective upon receipt, when mailed by U.S. mail, registered or certified, return receipt requested, postage prepaid, facsimile or personally delivered. Notices shall be sent to the following addresses:

If to Counterparty:

Mr. Robert H. Martin
Director, Electric and Gas Contract Administration
NSTAR Electric & Gas Corporation
One NSTAR Way NE220
Westwood, MA 02090
(781) 441-8058
(781) 441-8053 (fax)

With a copy to:

NSTAR Electric & Gas Corporation
800 Boylston Street
Boston, MA 02199
Attention: Timothy Cronin
(671) 424-2104
(617) 424-2733 (fax)

If to Guarantor:

with a copy to:

8. **Demand and Payment.** Any demand by Counterparty for payment hereunder shall be in writing, signed by a duly authorized representative of Counterparty and delivered to the Guarantor pursuant to Section 7 hereof, and shall (a) reference this Guaranty, (b) specifically identify [], the nature of the default, the Guaranteed Obligations to be paid and the amount of such Guaranteed Obligations and (c) set forth payment instructions, including bank name, routing number and bank account number. There are no other requirements of notice, presentment or demand. Guarantor shall pay, or cause to be paid, such Guaranteed Obligations within ten (10) business days of receipt of such demand.

9. **No Waiver; Remedies.** Except as to applicable statutes of limitation, no failure on the part of Counterparty to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof

or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

10. **Term: Termination.** This Guaranty shall continue in full force and effect until all of the Guaranteed Obligations are satisfied.

11. **Assignment: Successors and Assigns.** Counterparty may, upon notice to Guarantor, assign its rights hereunder without the consent of Guarantor. Guarantor may assign its rights hereunder with the prior written consent of Counterparty, which consent shall not be unreasonably withheld. Subject to the foregoing, this Guaranty shall be binding upon and inure to the benefit of the parties hereto and their respective successors, permitted assigns, and legal representatives.

12. **Amendments, Etc.** A written amendment executed by the Guarantor only may (a) increase the guaranty limit specified in Section I and/or (b) extend the termination date of this Guaranty. No other amendment of this Guaranty shall be effective unless in writing and signed by Guarantor and Counterparty. No waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless such waiver shall be in writing and signed by Counterparty. Any such waiver shall be effective only in the specific instance and for the specific purpose for which it was given.

13. **Captions.** The captions in this Guaranty have been inserted for convenience only and shall be given no substantive meaning or significance whatsoever in construing the terms and provisions of this Guaranty.

14. **Representation and Warranties.**

The Guarantor represents and warrants as follows:

- (a) The Guarantor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has full corporate power to execute, deliver and perform this Guaranty.
- (b) The execution, delivery and performance of this Guaranty have been and remain duly authorized by all necessary corporate action and do not contravene the Guarantor's constitutional documents or any contractual restriction binding on the Guarantor or its assets.
- (c) This Guaranty constitutes the legal, valid and binding obligation of the Guarantor enforceable against Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency) reorganization and other laws of general applicability relating to or affecting Counterparty's rights and to general equity principles.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be duly executed and delivered by its duly authorized officer effective as of this ____ day of _____, 2003 ("Effective Date").

Guarantor:

By: _____

Name:

Title:

**AGREEMENT FOR THE PURCHASE AND SALE OF
MASSACHUSETTS NEW RENEWABLE ENERGY CERTIFICATES**

This AGREEMENT FOR THE PURCHASE AND SALE OF MASSACHUSETTS NEW RENEWABLE ENERGY CERTIFICATES (this "Agreement") is made as of _____, 2003 (the "Effective Date") by and between _____, ("Seller"), and BOSTON EDISON COMPANY, CAMBRIDGE ELECTRIC LIGHT COMPANY, and COMMONWEALTH ELECTRIC COMPANY, (collectively, "Buyer"). In this Agreement, Buyer and Seller are sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITALS:

WHEREAS, the Massachusetts Division of Energy Resources ("DOER") passed and approved 225 CMR 14.00 to implement the General Laws of the Commonwealth of Massachusetts, M.G.L. c. 25A, § 11F; and

WHEREAS, the NE-GIS has been approved by the DOER as a means for compliance with 225 CMR 14.00; and

WHEREAS, the NE-GIS produces NE-GIS Certificates, of which certain NE-GIS Certificates comply with 225 CMR 14.00 and are designated in such regulation as New Renewable Generation Attributes ("Renewable Attributes"); and

WHEREAS, Seller, in response to a Request for Proposal dated September 17, 2003 issued by Buyer, has been selected to be a Seller of Renewable Attributes and the associated MA New Renewable Energy Certificates, to satisfy the requirements for Buyer's Green Power Service, as defined herein, for [] of the requirements for the period [] through [] (the "Delivery Term") of the customers of [] in each Customer Group and Load Zone.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises hereinafter set forth, the Parties, intending to be legally bound, agree as follows:

ARTICLE I: DEFINITIONS

1.1 Definitions. In addition to any other terms defined herein, the following terms shall have the meaning ascribed to them as set forth below:

(a) "Business Days" means a day on which Federal Reserve member banks in New York City are open for business; and a Business Day shall open at 8:00 a.m. and close at 5:00 p.m. Eastern Prevailing Time ("EPT").

(b) "Confidential Information" means all information regarding Buyer's customers, and all other oral and written information exchanged between the Parties which the parties agree to maintain as confidential. The following exceptions, however, do not constitute Confidential Information for purposes of this Agreement: (a) information that is or becomes generally available to the public other than as a result of a disclosure by either Party in violation of this Agreement; (b) information that was already known by either Party on a non-confidential basis prior to this Agreement; (c) information that becomes available to either Party on a non-confidential basis from a source other than the other Party if such source was not subject to any prohibition against disclosing the information to such Party; and (d)

information a Party is required to disclose in connection with any administrative or regulatory approval or filing process in connection with the conduct of its business.

(c) "Confirmation" means a written document describing and confirming a transaction between the Parties under this Agreement.

(d) "Delivery" or "Deliver" means Seller's electronic delivery of MA New Renewable Energy Certificates via the NE-GIS to the Buyer's account within the NE-GIS.

(e) "Delivered Energy" means the quantity of Energy, expressed in MWhs, delivered to the applicable NSTAR Electric retail Customers. This quantity shall be the quantity of Energy reported to the ISO by NSTAR Electric and/or its agent for each applicable Load Asset. Such quantity includes transmission and distribution losses on NSTAR Electric's respective systems to the meters of each customer. PTF losses calculated by the ISO shall not be included in the calculation of Delivered Energy.

(f) "Eligibility Criteria" shall have the meaning set forth under 225 CMR 14.00.

(g) "Green Power Service" means the service provided to Buyer's customers who receive service under the Default and Standard Offer Service Tariff and are within the Residential and Commercial Customer Groups who have elected to participate in the NSTAR Green Program, as approved by the MDTE, which enables Buyer's Green Power Service customers to obtain, in addition to the RPS Requirement that shall be supplied to such customers by the Default or Standard offer supplier (as applicable) under separate agreement, 25% of such customer's Default Supply Service from resources having Renewable Attributes, with not less than 5% of the aforementioned Renewable Attributes supplier under this Agreement being generated by qualifying wind or solar New Renewable Generation Units

(h) "Green Power Load" - means the amount of Delivered Energy delivered to the following Load Assets

Asset ID	Asset Name	Description
?	GRN_DS_RES_BECO NEMA LOAD	Residential Default Green BECO NEMA
?	GRN_SOS_BECO NEMA LOAD	Standard Offer Green BECO NEMA
?	GRN_DS_COM_BECO NEMA LOAD	Commercial Default Green BECO NEMA
?	GRN_DS_RES_BECO SEMA LOAD	Residential Default Green BECO SEMA
?	GRN_SOS_BECO SEMA LOAD	Standard Offer Green BECO SEMA
?	GRN_DS_COM_BECO SEMA LOAD	Commercial Default Green BECO SEMA
?	GRN_DS_RES_COMM LOAD	Residential Default Green – COMM (SEMA)
?	GRN_SOS_COMM LOAD	Standard Offer Green – COMM (SEMA)
?	GRN_DS_COM_COMM LOAD	Commercial Default Green COMM SEMA
?	GRN_DS_RES_CAMBRIDGE LOAD	Residential Green Service - CELC (NEMA)
?	GRN_SOS_CAMBRIDGE LOAD	Standard Offer Green – CELC (SEMA)
?	GRN_DS_COM_CAMBRIDGE LOAD	Commercial Green Service - CELC (NEMA)

(i) "Green Power Requirement"- means MA New Renewable Energy Certificates representing the number of MWhs calculated as the product of (a) Delivered Energy (grossed up for PTF losses) to the applicable Customer Group and Load Zone during the Delivery Term, (b) 0.25, rounded up to the next whole MWh.

(j) "ISO" – The independent system operator, or successor, established in accordance with the NEPOOL Agreement and the Interim Independent System Operator Agreement as amended, superseded or restated from time to time.

(k) "Load Zone" – Reliability Regions resulting from implementation of SMD and as defined for use in the ISO-NE Settlement System. The customers of Commonwealth Electric Company are within the Southeastern Massachusetts Load Zone ("Z.SEMASS" or "SEMA") and the customers of Cambridge Electric Light Company are with the Northeastern Massachusetts Load Zone ("Z.NEMASSBOST" or "NEMA"). The customers of Boston Edison Company are within both the NEMA and SEMA Load Zones.

(l) "MA New Renewable Energy Certificates" - means certain NE-GIS Certificates that have the relevant generation attributes from a New Renewable Generation Unit that complies with the Renewable Energy Portfolio Standards. MA New Renewable Energy Certificates shall conform with the Eligibility Criteria set forth in applicable Massachusetts regulations, must originate during the same calendar quarter for which they are being supplied, and must be eligible for the Renewable Energy Portfolio Standard, and shall represent title to and claim over all environmental attributes associated with the specified MWh of generation from the new renewable generation unit.

(m) "MWh" - means Megawatt-hour.

(n) "NE-GIS" - means the New England Generation Information System, which includes a generation information database and certificate system, operated by NEPOOL, its designee or successor entity, that accounts for generation attributes of electricity consumed within New England.

(o) "NE-GIS Certificate" - means an electronic record produced by the NE-GIS that identifies the relevant generation attributes of each MWh accounted for in the NE-GIS.

(p) "NEPOOL" - means the New England Power Pool and any successor or assign.

(q) "Renewable Energy Portfolio Standards" - means the regulations promulgated pursuant to M.G.L. c. 25A, § 11F, that requires a minimum percentage of electricity sold to end-use customers in the Commonwealth of Massachusetts to be derived from certain renewable energy generating resources beginning on January 1, 2003, as more explicitly provided for in 225 CMR 14.00.

(r) "RPS Requirement" means NE-GIS Certificates representing the number of MWhs calculated as the product of (a) Delivered Energy (grossed up for PTF losses) to the applicable Customer Group and Load Zone during the Delivery Term, (b) 0.015, rounded up to the whole MWh for the period January 1, 2004 through December 31, 2004.

(s) "Trading Period" - means the period of time during which NEPOOL permits MA New Renewable Energy Certificates of a particular vintage to be transferred between entities on the NE-GIS.

ARTICLE II: PURCHASE AND SALE OF MA NEW RENEWABLE ENERGY CERTIFICATES

2.1 Purchase. Subject to the terms and conditions of this Agreement, Seller agrees to sell, assign and transfer to Buyer, and Buyer agrees to purchase from Seller, the full amount of the Green Power Requirement, and at a total purchase price of \$ ____ per Mwh ("Total Price"). The quantity of the Green Power Requirement to be delivered by Seller hereunder shall be initially estimated in accordance with the attached Schedule _____. Buyer shall be obligated to provide the full amount of MA New Renewable Energy Certificates associated with the Green Power Requirement, regardless of the accuracy of the Buyer's

aforementioned estimates, the number of customers participating in the Green Power Program, market conditions, or the variation in the Delivered Energy for Green Power Program Customers.

2.2 Title Transfer/Delivery. No later than five (5) business days after the first day in the Trading Period for the Contract MA New Renewable Energy Certificates, Seller shall effect Delivery of the Contract MA New Renewable Energy Certificates applicable to such period to Buyer, whereupon title to and interest in such MA New Renewable Energy Certificates shall transfer to Buyer. Seller shall cause Delivery in accordance with the applicable rules and procedures relating to the NE-GIS.

2.3 Payment. Within fifteen (15) Business Days after Delivery, Buyer shall pay for the MA New Renewable Energy Certificates in full, by paying the Total Price to Seller for those Certificates received from Seller in Buyer's NE-GIS Account. Promptly following Delivery, Seller shall submit to Buyer and invoice with sufficient detail for Buyer to verify the calculation and the total amount due and payable. The parties acknowledge and agree that the amount of MA New Renewable Energy Certificates provided by Seller hereunder shall be initially estimated, based on Buyer's load projections for those customers participating in the Green Power Program. Seller's invoices shall be subject to adjustment, whether positive or negative, in subsequent invoices by application of the applicable Total Price to any such adjusted quantities reflecting actual load.

2.4 Good Funds. All funds paid by Buyer to Seller shall be rendered in the form of immediately available United States dollars.

2.5 Taxes. Each Party shall pay any taxes or other fees associated with its respective purchase or sale of the Contract MA New Renewable Energy Certificates as described herein.

2.6 Disputed Invoices. If a Party, in good faith, disputes an invoice, the disputing Party shall immediately notify the other Party of the basis for the dispute and pay the undisputed portion of such invoice no later than the due date. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest as specified herein accruing from and including the due date to but excluding the date paid. Any overpayments shall be returned by the receiving Party upon request or deducted by the receiving Party from subsequent payments with interest accrued at the rate specified herein until the date paid or deducted from and including the date of such overpayment to (but excluding) the date repaid or deducted by the Party receiving such overpayment.

2.7 Excess Certificates. If Seller has transferred more NE-GIS Certificates than required pursuant to Section 2.1 above to the NE-GIS accounts of Buyer as of the expiration or termination of this Agreement, Buyer agrees to transfer to Seller or Seller's NE-GIS certificate account, as applicable and as soon as practicable thereafter, such excess amount of NE-GIS Certificates.

ARTICLE III: REPRESENTATIONS AND WARRANTIES

3.1 Seller representations and warranties. Seller hereby represents and warrants to Buyer as follows:

(a) Seller has and, at all times during the term of this Agreement will have, all necessary corporate power and authority to execute and deliver this Agreement and perform its obligations hereunder.

(b) The execution, delivery and performance of this Agreement by Seller have been duly authorized by all necessary corporate action and do not violate any of the terms or conditions of Seller's governing documents, or any law, rule, regulation, order, judgment or other legal or regulatory determination applicable to Seller.

(c) At the time of Delivery of the Contract MA New Renewable Energy Certificates by Seller hereunder, the DOER has approved such MA New Renewable Energy Certificates to qualify under the Renewable Energy Portfolio Standard.

(d) EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER EXPRESSLY NEGATES ANY OTHER REPRESENTATIONS OR WARRANTIES, WHETHER WRITTEN OR ORAL, AND WHETHER EXPRESS OR IMPLIED INCLUDING WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO CONFORMITY TO MODELS OR SAMPLES, MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE.

3.2 Buyer representations and warranties. Buyer hereby represents and warrants to Seller as follows:

(a) Buyer has, and at all times during the term of this Agreement will have, all necessary corporate power and authority to execute and deliver this Agreement and perform its obligations hereunder.

(b) The execution, delivery and performance of this Agreement by Buyer have been duly authorized by all necessary corporate action and do not violate any of the terms or conditions of Buyer's governing documents, or any law, rule, regulation, order, judgment or other legal or regulatory determination applicable to Buyer.

3.3 Survival. This Article III shall survive expiration or termination of this Agreement.

ARTICLE IV: EVENTS OF DEFAULT

4.1 Events of Default. For purposes of this Agreement, a Party shall be in default:

(a) If (i) that Party materially breaches any or all of its obligations as described in this Agreement and such breach is not cured within 5 Business Days of written notice of such breach from the other Party; or (ii) if any representation or warranty made by that Party in Article III of this Agreement proves to have been misleading or false in any material respect when made and such Party does not cure the underlying facts so as to make such representation or warranty correct and not misleading within 5 Business Days of written notice from the other Party; and (iii) in either case, the Party is materially damaged or injured as a direct result thereof; or

(b) if a Party: (i) makes an assignment or any general arrangement for the benefit of its creditors, (ii) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such proceeding remains undismissed for 30 days, (iii) otherwise becomes bankrupt or insolvent (however evidenced), or (iv) becomes unable to pay its debts as they fall due.

ARTICLE V: REMEDIES UPON DEFAULT

5.1 Remedies. If either Party is in default as set forth in Article 4 at any time during the term of this Agreement (the "Affected Party"), the other Party (the "Notifying Party") may (i) without prior written notice to the Affected Party terminate this Agreement, (ii) withhold any payments due in respect of this Agreement to the extent of its damages pursuant to this Article 5, and (iii) exercise such remedies as provided in this Agreement, including an action for damages (except as limited by Section 5.6); provided, however, that upon the occurrence of any default listed in Section 4.1 above as it may apply to

any Party, this Agreement shall automatically terminate, without notice, immediately prior to such default.

5.2 Termination By Seller. In the Event of a Default by Buyer, and Seller elects to terminate this Agreement, then Buyer shall pay Seller, within five (5) business days of invoice receipt, an amount for such deficiency equal to the positive difference, if any, obtained by subtracting Seller's sale price for the portion of the Contract MA New Renewable Energy Certificates resold as cover from the Total Price (including its transaction costs). Except with respect to breaches of Article VII, no other damages will be available to Seller.

5.3 Termination By Buyer. In the event of a default by Seller, and Buyer elects to terminate this Agreement, then Seller shall be obligated to pay Buyer within five (5) business days of invoice receipt, an amount equal to the commercially reasonable cost to Buyer (including its transaction costs) of purchasing MA New Renewable Energy Certificates equivalent to those that were to be delivered under this Agreement but which Seller failed to deliver, less the cost (including transaction costs) that Buyer would have had to pay under this Agreement for the same number of MA New Renewable Energy Certificates. Except with respect to breaches of Article VII, no other damages will be available to Buyer.

5.4 Interest. All overdue payments shall bear interest from (and including) the due date to (but excluding) the date of payment at a rate equal to one percent (1%) over the per annum rate of interest equal to the prime lending rate as may from time to time be published in the Wall Street Journal under "Money Rates;" provided, the interest rate shall never exceed the maximum lawful rate permitted by applicable law.

5.5 Exclusive Remedy. THE REMEDIES SET FORTH IN THIS ARTICLE V ARE THE SOLE AND EXCLUSIVE REMEDIES IN THE EVENT OF A DEFAULT, AND A PARTY'S LIABILITY SHALL BE LIMITED AS SET FORTH IN THIS SECTION. ALL OTHER REMEDIES OR DAMAGES AT LAW ARE HEREBY WAIVED.

5.6 Limitation of Liability. IN THE EVENT OF A DEFAULT, THE DEFAULTING PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY, AND SUCH DIRECT, ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY HEREUNDER. IN NO EVENT SHALL ANY OTHER LIABILITY BE INCURRED BY EITHER PARTY FOR ANY OBLIGATIONS WHICH ARISE UNDER THIS AGREEMENT, INCLUDING (BUT NOT LIMITED TO) CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES IN TORT, CONTRACT, OR OTHERWISE.

5.7 No Joint and Several Liability of Buyer. Notwithstanding any provision to the contrary herein, the Parties agree that Boston Edison Company, Cambridge Electric Light Company, and Commonwealth Electric Company shall not be jointly and severally liable for the obligations hereunder.

ARTICLE VI: NOTICES AND FORMAL COMMUNICATION

6.1 Notices. All notices, other formal communications which either Party may give to the other under or in connection with this Agreement shall be in writing and shall be sent by any of the following methods: hand delivery; reputable overnight courier; certified mail, return receipt requested; or, with respect to communications other than payments, by facsimile transmission, if the original communication is delivered by reputable overnight courier. The communications shall be sent to the following addresses, and shall be effective when received:

If to the Buyer:

Gary Cunningham
NSTAR Electric and Gas
NE220
One NSTAR Way
Westwood, MA 02090

(781) 441-8059 (tel.)
(781) 441-8053 (fax)

If to the Seller:

[Name]
[Company]
[Address]
[City, State and Zip]
[Phone]
[Fax]

ARTICLE VII: CONFIDENTIALTY

7.1 Confidentiality. Except as provided in this Section, neither Party shall publish, disclose, or otherwise divulge Confidential Information to any person at any time during or after the term of this Agreement, without the other Party's prior express written consent. Each Party shall permit knowledge of and access to Confidential Information only to those of its affiliates, attorneys, accountants, representatives, agents and employees who have a need to know related to this Agreement.

7.2 Required and Permitted Disclosures. If required by any law, statute, ordinance, decision, order or regulation passed, adopted, issued or promulgated by a court, governmental agency or authority having jurisdiction over a Party, or as otherwise required in connection with any administrative or regulatory approval or filing process in connection with the conduct of its business, that Party may release Confidential Information, or a portion thereof, to the court, governmental agency or authority, as required by the applicable law, statute, ordinance, decision, order or regulation, and a Party may disclose Confidential Information to accountants in connection with audits, provided that such Party has notified the other Party of the required disclosure, such that the other Party may attempt (if such Party so chooses) to cause that court, governmental agency, authority or accountant to treat such information in a confidential manner and to prevent such information from being disclosed or otherwise becoming part of the public domain.

7.3 Survival. This Section shall survive for a period of three (3) years following the expiration or termination of this Agreement.

ARTICLE VIII: MISCELLANEOUS

8.1 Assignment. This Agreement is not assignable by either Party, except as provided herein, without the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld, delayed or conditioned. Any assignment without the prior approval of the non-assigning Party is voidable by such non-assigning Party; provided, however, either Party may, without the consent of the other Party (and without relieving itself from liability hereunder), (i) transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof in connection with any financing or other financial arrangements, (ii) transfer or assign this Agreement to an affiliate of such Party which affiliate's creditworthiness is equal to or higher than that of such Party, or (iii) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets whose creditworthiness is equal to or higher than that of such Party; provided, however, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof.

8.2 Amendment/Binding Effect. This Agreement may not be amended, changed, modified, or altered unless such amendment, change, modification, or alteration is in writing and signed by both of the Parties to this Agreement or their successor in interest. This Agreement inures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

8.3 Severability. If any article, section, phrase or portion of this Agreement is, for any reason, held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such article, section, phrase, or portion so adjudged will be deemed separate, severable and independent and the remainder of this Agreement will be and remain in full force and effect and will not be invalidated or rendered illegal or unenforceable or otherwise affected by such adjudication, provided the basic purpose of this Agreement and the benefits to the Parties are not substantially impaired.

8.4 Entire Agreement. This Agreement completely and fully supersedes all other understandings or agreements, both written and oral, including any term sheet or confirmation, between the Parties relating to the subject matter hereof.

8.5 Waiver. No delay or omission by a Party in the exercise of any right under this Agreement shall be taken, construed, or considered as a waiver or relinquishment thereof, and any such right may be exercised from time to time and as often as may be deemed expedient. If any of the terms and conditions herein are breached and thereafter waived by a party, such waiver is limited to the particular breach so waived and is not deemed to waive any other breach hereunder.

8.6 Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and shall be construed, enforced and performed in accordance with the laws of the Commonwealth of Massachusetts, without regard to principles of conflicts of law.

8.7 Counterparts. This Agreement may be executed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

8.8 Headings. The Article and section titles in this Agreement are only for purposes of convenience and do not form a part of this Agreement and will not be taken to qualify, explain or affect any provision thereof.

8.9 Term of Agreement. The term of this Agreement shall commence on the Effective Date and shall remain in effect until all obligations of the parties hereunder are fully satisfied and discharged, unless terminated at an earlier date pursuant to the several provisions hereof; provided, however, that such

expiration or termination shall not affect or excuse the performance of either Party under any provision of this Agreement that by its terms survives any such termination.

8.10 Security For Performance. Seller shall provide Buyer, on or before _____, 2003, an irrevocable letter of credit or other security instrument in a form and from and issuer in each case acceptable to Buyer and that in the amount of (\$ _____), which will allow Buyer to draw on the letter of credit to cover any damages or costs incurred by Buyer in the event of any Default by Seller under this Agreement. Seller shall maintain such letter of credit for the entire Term of this Agreement.

8.11 Uniform Disclosure Requirements. On a calendar quarterly basis, Seller shall provide Buyer information pertaining to power plant emissions, fuel types, labor information and any other information to the extent required by Buyer to comply with the uniform disclosure requirements contained in 220 CMR 11.00 and any other applicable requirements.

8.12 Competitive Affiliates of Seller. If a Competitive Affiliate of Seller exists during the Term, Seller shall not disclose any information received from Buyer regarding an individual retail customer of Buyer or regarding this Agreement, or assign any interest hereunder, to any such Competitive Affiliate. The term "Competitive Affiliate" shall be as defined in 220 C.M.R 12, and shall refer to an entity that is engaged in the sale of electricity to customers in Massachusetts.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

BOSTON EDISON COMPANY
CAMBRIDGE ELECTRIC LIGHT COMPANY
COMMONWEALTH ELECTRIC COMPANY

By: _____
Name: _____
Title: _____

[COMPANY]

By: _____
Name: _____
Title: _____

SCHEDULE A

ESTIMATE OF GREEN POWER PROGRAM
RENEWABLE ENERGY CERTIFICATES

Month

Quantity

APPENDIX B
PROPOSAL FORM

1. General Information

Name of Supplier	
Principal contact person <input type="checkbox"/> Name <input type="checkbox"/> Title <input type="checkbox"/> Company <input type="checkbox"/> Mailing address <input type="checkbox"/> Telephone number <input type="checkbox"/> Fax number <input type="checkbox"/> E-mail address	
Secondary contact person (if any) <input type="checkbox"/> Name <input type="checkbox"/> Title <input type="checkbox"/> Company <input type="checkbox"/> Mailing address <input type="checkbox"/> Telephone number <input type="checkbox"/> Fax number <input type="checkbox"/> E-mail address	
Legal status of Supplier (e.g., sole proprietorship, partnership, limited partnership, joint venture, or corporation)	
State and date of incorporation, residency or organization	
The names of all general and limited partners (if Supplier is a partnership)	
Description of Supplier and all relevant affiliated entities and joint ventures, including any details regarding financial limitations between partners or affiliates	
Name of financial guarantor	
Statement of relevant experience	

2. Financial Information

Current long term and short term debt rating for Supplier (include ratings and names of rating agencies).	
Date Supplier's last fiscal year ended.	
Total revenue for Supplier for the most recent fiscal year.	
Total net income for Supplier for the most recent fiscal year.	
Total assets for Supplier as of the close of the previous fiscal year.	

3. Defaults and Adverse Situations

<p>Describe, in detail, any situation in which Supplier (either alone or as part of a joint venture), or an affiliate of Supplier, defaulted or was deemed to be in noncompliance of its contractual obligations to deliver energy and/or capacity at wholesale within the past five years.</p> <p>Explain the situation, its outcome and all other relevant facts associated with the event described.</p> <p>Please also identify the name, title and telephone number of the principal manager of the customer/client who asserted the event of default or noncompliance.</p>	
<p>Describe any facts presently known to Supplier that might reasonably be expected to adversely affect its ability to provide the service(s) bid herein as provided for in the Request for Proposal.</p>	

4. NEPOOL AND POWER SUPPLY EXPERIENCE

Is Supplier a member of NEPOOL?	
Does Supplier have a NEPOOL settlement account?	
Describe Supplier's experience and record of performance in the areas of power marketing, brokering, sales, and/or contracting, for the last five years within NEPOOL and/or the New England region.	
Provide three references (name, title and contact information) who have contracted with the Supplier for similar load following services within the last 2 years.	
Has Supplier, or any affiliate of Supplier, in the last five years, been determined in writing by a court or arbitration panel to have breached or defaulted under any agreement relating to the sale of electricity or natural gas, including any financing agreements? If so, what was the resolution of such breach or default?	

5. SCOPE OF BID AND TERMS OF SALE

<p>Will Supplier execute a contract substantially similar to the proposed Power Supply Agreement contained in Appendix A?</p> <p>Explain any proposed modifications.</p>	
<p>List all regulatory approvals required before service can commence.</p>	

6. Proposed Pricing

Specify the monthly contract rates (\$/kWh) to supply Default Service to: a) BECo's NEMA Residential Customer Group, b) BECo's SEMA Residential Customer Group, c) Commonwealth's Residential Customer Group, and d) Cambridge's Residential Customer Group.	
Specify the monthly contract rates (\$/kWh) to supply Default Service to: a) BECo's NEMA Commercial Customer Group, b) BECo's SEMA Commercial Customer Group, c) Commonwealth's Commercial Customer Group and d) Cambridge's Commercial Customer Group.	
Specify the monthly contract rates (\$/kWh) to supply Default Service to: a) BECo's NEMA Industrial Customer Group, b) BECo's SEMA Industrial Customer Group, c) Commonwealth's Industrial Customer Group, and d) Cambridge's Industrial Customer Group.	

Name: _____ Time: 6:00 or 8:00

Green Power

Green Power is typically described as electricity created from renewable energy sources that have a relatively low impact on the environment. Examples include wind energy, solar energy, energy generated from plant material such as wood chips, or gas recovered from closed landfills. Green Power sources are continuously and sustainably available in the environment and are less harmful to the environment than traditional energy sources.

Directions:

- Circle any words or phrases in the paragraph above that are particularly appealing. Cross out any words or phrases you find unappealing. Put a question mark next to any words or phrases that are confusing or difficult to understand.

- What are your top of mind impressions of this idea?

- How favorable/unfavorable an impression do you have of the idea stated above?
(circle one answer)

Very Favorable

Somewhat Favorable

Somewhat Unfavorable

Very Unfavorable

Name: _____ Time: 6:00 or 8:00

Green Power Sources

Wind Energy

Wind Energy comes from moving air which is converted to electric power to create electricity. Due to the unequal solar heating of the earth, wind is generated. As air flows past the rotors of a wind turbine, the rotor spins and drives the shaft of an electric generator.

How favorable an impression do you have of Wind Energy? (circle one answer)

Very Favorable

Somewhat Favorable

Somewhat Unfavorable

Very Unfavorable

Solar Energy

Solar Electric or Photovoltaic Systems convert some of the energy in sunlight directly into electricity. Photovoltaic (PV) cells are made primarily of silicon, which when combined with one or more other materials, exhibits unique electrical properties in the presence of sunlight. Electrons are excited by the light and move through the silicon. This is known as the photovoltaic effect and results in direct current (DC) electricity.

How favorable an impression do you have of Solar Energy? (circle one answer)

Very Favorable

Somewhat Favorable

Somewhat Unfavorable

Very Unfavorable

Plant/Biomass

Biomass energy is available from organic materials in the environment. It includes energy available in wood, agricultural crops, crop residues, industrial and municipal organic waste, food processing waste and animal wastes. These wastes of various human and natural activities can be burned to create heat and/or steam that is used to generate electricity.

How favorable an impression do you have of Biomass Energy (or BioPower)? (circle one answer)

Very Favorable

Somewhat Favorable

Somewhat Unfavorable

Very Unfavorable

Landfill gas

Landfill gas is created when waste in a closed landfill decomposes under anaerobic (or oxygen free) conditions. Because landfill gas is about 50% methane, it can be used as a source of energy similar to natural gas (which is about 90% methane). Since landfill gas is generated continuously, it provides a reliable fuel for a range of energy applications, including heating and electric power generation. Also, since methane is a greenhouse gas, reducing the amount of methane that is released into the atmosphere from landfills is an additional benefit of this energy source.

How favorable an impression do you have of Landfill Gas Energy? (circle one answer)

Very Favorable

Somewhat Favorable

Somewhat Unfavorable

Very Unfavorable

Name: _____ Time: 6:00 or 8:00

NSTAR Green Power Option

NSTAR Electric is considering offering Green Power as an optional service. NSTAR would offer its customers the choice of electricity that is created by renewable sources, such as wind, solar, plant/biomass and landfill gas. By choosing this product, NSTAR customers would be able to increase the Green Power used to generate the electricity they use. In doing so, they will help the local environment by reducing emissions and reducing our dependence on natural resources.

Customers would begin purchasing Green Power by specifying an option on their electric bill. The Green purchase would begin on the following bill cycle. Choosing Green Power in no way changes the reliability or quality of a customer's electric service.

Directions:

- Circle any words or phrases that are particularly appealing. Cross out anything you find unappealing. Put a question mark next to any words or phrases that are confusing or difficult to understand.
- What are your top of mind impressions of this idea?

- Based on what you've heard so far, how interested would you be in participating in such a Green Power Program? (circle one answer)

Very Interested

Somewhat Interested

Somewhat Uninterested

Not at all interested

Name: _____ Time: 6:00 or 8:00

NSTAR Green Power Service
Pricing Options

Depending on the percentage of Green Power a customer elects to choose, the incremental cost of the Green Power would be as follows:

Incremental cost to monthly electricity bill (based on an average monthly bill of \$72):

25% Green Power: \$<u>5.88</u>	Very Interested	Somewhat Interested
	Somewhat Uninterested	Not at all Interested
50% Green Power: \$<u>11.75</u>	Very Interested	Somewhat Interested
	Somewhat Uninterested	Not at all Interested
100% Green Power: \$<u>23.50</u>	Very Interested	Somewhat Interested
	Somewhat Uninterested	Not at all Interested

Directions:

- For each pricing option above, circle your level of interest in choosing that pricing option (circle one answer for each of the three pricing options).
- If NSTAR could only offer one or two options, which would be the most appealing (which should they offer)? Write 1st, 2nd choice above.

Name: _____ Time: 6:00 or 8:00

Endorsement of Green Power Program

1. On a scale of 1-10 (where 1 = not at all important and 10 = very important), how important is it for NSTAR's Green Power Program to be endorsed or supported by:

- A leading environmental advocate? (circle one answer)

1 2 3 4 5 6 7 8 9 10

- Which of the following environmental advocates have you heard of? Whose endorsement (if any) would be compelling? (circle as many responses as apply)

Have heard of:

Endorsement would be compelling:

Green Mountain Energy
MassPIRG
Sierra Club
Amory Lovins

Green Mountain Energy
MassPIRG
Sierra Club
Amory Lovins

2. On a scale of 1-10 (where 1 = not at all important and 10 = very important), how important is it for NSTAR's Green Power Program to be endorsed or supported by:

- Massachusetts state government? (circle one answer)

1 2 3 4 5 6 7 8 9 10